



DEPARTMENT OF TRANSPORTATION

Office of the Secretary

14 CFR Parts 241 and 298

[Docket No. DOT-OST-2018-0132]

RIN 2105-AE45

Updates to the Origin - Destination Survey of Airline Passengers

AGENCY: Office of the Secretary of Transportation (OST), U.S. Department of Transportation (DOT).

ACTION: Final rulemaking.

SUMMARY: DOT finalizes amendments to update the collection and processing of aviation traffic data in the Origin-Destination Survey of Airline Passenger Traffic (O&D). As part of this action, DOT is expanding the number of reporting air carriers, the sample size collected, and the scope of the data collected. Additionally, DOT is changing the timing of the release of the Form 41, Schedule T100 “Air Carrier Traffic and Capacity Data by Nonstop Segment and On-Flight Market” and Schedule T100(f) “Foreign Air Carrier Traffic Data by Nonstop Segment and On-flight Market.” These changes will align the current O&D with modern industry business and accounting practices, enable cost savings, reduce burden through automation, and provide enhanced utility for users of the data.

DATES: This rule is effective [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. Compliance with the reporting provisions specified in 14 CFR part 241, Sec. 19-8 is required for air transportation taking place on or after July 1, 2025.

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SUPPLEMENTARY INFORMATION:

EXECUTIVE SUMMARY:

Purpose of the Regulatory Action

This final rule enhances the utility of the publicly available aviation data in the Origin - Destination Survey of Airline Passengers (O&D), which will provide significant benefits to a variety of data users. The rule enhances the quality of the data by: (1) reducing the long-term reporting burden on the O&D Reporting Carriers; (2) making the O&D more relevant and useful to airlines, aviation policy makers, researchers, and stakeholders; (3) obtaining more accurate ticket data from a broader group of air carriers and markets; (4) reducing the time it takes to disseminate the O&D and the international Schedule T100(f); and (5) increasing the statistical correlation between the O&D and the Schedule T100 and Schedule T100(f) (T100/T100(f)) for data validation purposes. These actions are taken under the statutory authorities in 49 USC 329(b)(1), which requires the Department to collect and disseminate information on the origin and destination of airline passengers including, at a minimum, information on: (1) the origin and destination of passengers in interstate air transportation, and (2) the number of passengers traveling by air between any two points in interstate air transportation. In addition, 49 U.S.C. 40101(a)(7) states that in carrying out economic regulatory activities, the Secretary shall consider as being in the public interest a regulatory system that responds to the needs of the public and in which decisions are reached promptly to make it easier to adapt the air transportation system to the present and future needs of, among other things, the commerce of the United States. In fulfillment of these responsibilities, DOT collects data submitted under:

- 14 CFR part 217: Reporting Traffic Statistics by Foreign Air Carriers in Civilian Scheduled, Charter, and Nonscheduled Services, whereby foreign air carriers authorized by DOT to provide scheduled passenger services to or from the U.S. must file Form 41 Schedule T100(f), which includes the data elements prescribed in § 217.5.

- 14 CFR part 241: Uniform System of Accounts and Reports for Large Certificated Air Carriers, under which all large, certificated air carriers must report their traffic movements by filing Form 41 Schedule T100, Financials Information, and O&D fare information.
- 14 CFR part 298: Exemptions for Air Taxi and Commuter Air Carriers, whereby air taxi operators and commuter air carriers, which are provided certain exemptions from some of the economic regulatory provisions of Subtitle VII of Title 49 of the United States Code, are required to submit simplified Financials and T100 traffic.

In this rulemaking, the Department finalizes updates to its method of collecting and processing O&D fare information under Part 241 to: (1) allow full automation of the reporting of the O&D by aligning reporting with current airline passenger accounting practices; and (2) enhance the accuracy and usefulness of DOT's collection of aviation traffic data. The Department also makes a corresponding change to Part 298 to reflect removal of the reporting exemptions for U.S.-based air carriers and commuter air carriers with a business model that limits them to flying aircraft with fewer than 60 seats. DOT does not make any changes to the regulatory text of Part 217 in this final rule.

Summary of Major Provisions

In this final rule, the Department amends 14 CFR part 241 to create Section 19-8 to classify all certificated air carriers and commuter air carriers holding out scheduled passenger service as O&D Reporting Carriers by removing the exemptions from reporting given to U.S.-based air carriers and commuter air carriers with a business model that limits them to flying aircraft with fewer than 60 seats. DOT further requires those Reporting Carriers to submit certain data items as part of this data collection: *Reporting Carrier, Reporting Month and Reporting Year, Record Identification Number (RIN), Issuing Carrier, Total Amount, Tax Amount, Airport Code, Operating Carrier Code, Marketing Carrier Code, Scheduled Flight*

Year, Scheduled Flight Month, Dwell Time, Via Airport, and Purchase Window Group. In addition, this rule changes who is responsible for submitting data to the O&D from the air carrier using the first flight coupon (first lift) to the air carrier that issues the ticket. For air travel taking place on or after July 1, 2025 (See DATES section), upon successful implementation of Section 19-8, air carriers must collect data pursuant to Section 19-8, and such data will constitute the data of record for the Passenger Origin-Destination Survey. The July 2025 data will be due to be reported to the DOT on September 15th, 2025. Reporting pursuant to section 19-7 will no longer be required for air travel taking place on or after July 1, 2025, and DOT intends to remove Section 19-7 from 14 CFR Part 241 at that time for clarity.

I. Background

DOT issued a Notice of Proposed Rulemaking (NPRM) to improve the collection of aviation traffic data in the Origin-Destination Survey of Airline Passenger Traffic (O&D). (86 FR 5032; Jan. 19, 2021). The NPRM solicited public comments on the following matters: (1) changing the reporting carrier from first lifted carrier to issuing carrier; (2) increasing the sample size to 40 percent; (3) requiring all carriers who conduct scheduled service to report O&D data; (4) whether to require all foreign air carriers providing scheduled service to the United States to submit O&D data; (5) whether smaller air carriers would need further accommodation beyond the proposed methods for reporting O&D data to DOT; (6) changes to the set of data elements – specifically, adding “Reporting Year”, “Reporting Month” of travel, all Airports in the itinerary including “Via Point” airports, “Dwell Time”, “Exchanged Ticket Indicator”, “Frequent Flyer Program Ticket Indicator”, “Total Amount”, “Tax Amount”, and “Record Identification Number”, as well as removing “Fare Basis Code”; (6) whether users of the O&D would find utility in including “Cabin Class” as a replacement data element to Fare Basis Code; (7) whether optional or ancillary ticket purchase fees collected from most tickets should be included in the Total Amount of a ticket; (8) the appropriate amount of time to withhold O&D data from

dissemination; (9) adding the descriptor “citizens and non-citizens” to those other persons eligible to receive itineraries with foreign origin and destination points in the O&D if they have a specifically identified need to do so; (10) whether to replace the phrase “specifically identified need” with a defined list of permissible, specifically identified needs that would be codified in the regulation and, if so, what the defined list should include; (11) shortening the time that T100(f) data is withheld from six months to three months; (12) a reasonable compliance date to begin no earlier than one year from the publication of the final rule; (13) reporting data under Sec. 19-7 until such time that data reported pursuant to Sec. 19-8 replaces data reported pursuant to Sec. 19-7 as the statistics of record; (14) the utility to users and additional burden to O&D reporting carriers of reporting individual tax and fee amounts instead of reporting both as an aggregate amount and; (15) comments related to the annual burden estimate for reporting carriers to collect and submit O&D data.

In response to this NPRM, the Department received comments from the following entities: Ailevon Pacific Aviation Consulting (APAC), Cirium, Airports Council International – North America (ACI-NA), the Regional Airline Association (RAA), Airlines for America (A4A), Airline Tariff Publishing Company (ATPCO), Airbus Americas, Inc. (Airbus), and Airline Data Inc., (ADI).

Summary of Regulatory Analysis

The Final Regulatory Impact Analysis (RIA) examined the economic impact, in terms of all benefits accruing to producers of the data (air carriers) and users of the data, by subtracting the estimated cost of not taking regulatory action from the estimated costs of implementing regulatory action through this final rulemaking. We applied this same principle to the government, by illustrating the estimated costs to the public of not taking regulatory action and subtracting estimated costs of implementing regulatory action. Combined, the annualized benefit of the regulatory changes totals \$10,367,702 over ten years, which amounts to an annualized

savings \$1,476,128, when discounted using a seven percent rate. As such, the Department believes that the rule is in the public interest as it will provide both producers and users of the O&D with a more robust data set of passenger activity in our national air transportation system.

Discussion of Comments

The Department has carefully reviewed and considered comments received from commenting parties. The Department sought further clarification of comments by A4A and received supplemental information in a letter dated December 16, 2021, which was placed in the docket.¹ This section details the comments received on the topics raised in the NPRM, and addresses some additional comments received in relation to topics applicable to the O&D.

(1) Changing the reporting carrier from first lifted carrier to issuing carrier

In the NPRM: 14 CFR Part 241 Sec. 19-7(a) states that all U.S. large, certificated air carriers conducting scheduled passenger operations (except helicopter carriers) shall participate in a Passenger Origin-Destination (O&D) Survey covering domestic and international operations. Regardless of which carrier issues the ticket, the carrier who provides the first reportable lift as defined in Sec. 19-7 is required to report the data in the ticket to DOT. In the NPRM, DOT proposed changing this requirement so that each reporting carrier as defined in proposed Sec. 19-8 will only report tickets it issues, with a provision for Category Two tickets as discussed later.

Comments: RAA stated that it believes the proposed changes will foster better data quality and reduce the burden for the airlines. A4A stated that it supports the transfer of responsibility for reporting a ticket to the issuing carrier rather than the current practice of reporting by the first lifting O&D reporting carrier, except in the case of Category Two tickets. ACI-NA stated that it generally supports shifting the reporting requirement on the issuing carrier, as it believes it would “probably result in more accurate data reporting and reduce confusion as to who should

¹ All comments are located at <https://www.regulations.gov>, under docket DOT-OST-2018-0132.

report a particular itinerary.” ACI-NA also states that foreign carriers, regardless of whether they are immunized, should be required to report O&D data, as it believes there could be a loss of information where the issuing carrier is a non-immunized foreign carrier that sold tickets on a U.S. codeshare partner who is the operator of the flight.

DOT Response: After careful consideration of the comments provided, DOT has determined that shifting the reporting responsibility from the air carrier providing first reportable lift to the issuing air carrier of the ticket is best aligned with current air carrier revenue accounting practices and will simplify the burden on the reporting air carriers. DOT will not require foreign air carriers to be included as reporting air carriers for the O&D. Foreign air carriers covered by a grant of anti-trust immunity under 49 U.S.C. §§ 41308 and 41309 (Immunized carriers) will continue to report data similar to O&D data pursuant to the conditions of their immunity, but under new requirements identical to the requirements of this rule. ACI-NA’s concern regarding loss of information associated with non-immunized foreign carriers issuing tickets where a U.S. code-share partner operates the flight is an example of a Category 2 ticket reporting event.² In this case, the first U.S. carrier that is also an O&D reporting carrier in the ticket sequence would be responsible for reporting the ticket. DOT recognizes it may be an additional burden, or not possible, for reporting carriers to obtain data elements from the carrier that issues the ticket as is the case with the current 19-7 system, the new rule will, however, serve to minimize the number of tickets that must be reported in this manner. DOT has also prescribed in the regulatory text which data elements are mandatory and which data elements may be omitted for Category 2 tickets of the type ACI-NA has described. (See Sec. 19-8.4 - Reporting of O&D Data). This will enable data users to have access to the full detail of data available under the new rule when

² A Category 1 reporting event is defined as a case where the carrier that issues the ticket is the reporting carrier. A Category 2 reporting event is defined as a case where the carrier that issues the ticket is not a reporting carrier and is not an immunized carrier but at least one coupon from the ticket is operated by a carrier that is a reporting carrier or an immunized carrier. A ticket submitted as the result of a Category 1 reporting event is known as a Category 1 ticket and a ticket submitted as the result of a Category 2 reporting event is known as a Category 2 ticket. Category 2 tickets will be reported based on the first reporting carrier rule which means the reporting carrier or immunized carrier that is first in the operating sequence of the ticket will be responsible for reporting the ticket.

it is provided while also allowing data users to identify those tickets that may not be a complete record. DOT recognizes the concern expressed in the comments that requiring all carriers that serve the United States to report O&D could result in similar efforts on the part of other governments, which could remove any potential cost savings of the new rule.

Final Rulemaking Text: DOT adopts its proposal to change the reporting carrier from first lifted carrier to issuing carrier. See §19-8.3(a) – Applicability.

(2) Increasing the sample size to 40 percent

In the NPRM: 14 CFR Part 241 Sec 19-7(c) states that a statistically valid sample of flight coupons shall be selected for reporting purposes and shall consist of at least one percent of the total lifted ticket flight coupons for all large domestic markets listed in the Instructions and 10 percent for all others, inclusive of domestic and international markets. DOT proposed increasing this sample size to 40 percent and removing the one percent and 10 percent requirements, explaining that this increase was necessary for increased dataset utility, and to capture activity in smaller markets where a 10 percent sample often produces few to no lifted, reported tickets. Studies cited in the NPRM validated a 40 percent sample size as sufficient to capture data related to smaller markets, which, under current reporting, have a statistically insufficient number of tickets to represent true market activity.³

Comments: RAA generally supports increasing the random sample size to 40 percent and agrees that a sample size of 40 percent is both necessary and sufficient to ensure statistical accuracy for measuring smaller aviation markets. RAA also states that the sample size should not exceed 40 percent. A4A supports the proposed increase in the random sample size to 40 percent for the reasons we articulated in the NPRM. A4A states in its comments that exceeding the 40% threshold was proven to be unnecessary to achieve the goals of the O&D reporting and, given the

³ Statistical analyses by Michael Wittman (Michael D. Wittman, *A Note on the Use of U.S. DB1B Passenger Ticket Data for Estimating Airfares in Thin Airline Markets or Small Airports*, Massachusetts Institute of Technology), and Eric Amel (Eric Amel, *Report on the Results of Different Sampling Rates on the Reliability of the US DOT O&D Survey*, Compass Lexecon, May 18, 2015) are available in the Docket.

additional workload associated with the new fields combined with reporting twelve times per year instead of four times per year, would create unnecessary burden for little, if any, benefit. ACI-NA recommends expanding the sample size from 10 percent to 100 percent. ACI-NA points to a 2005 NPRM on the O&D data which proposed to increase the reporting to 100%, noting that DOT indicated it would improve the accuracy and comprehensiveness of the dataset.

DOT Response: DOT concludes that the 40 percent sample size is sufficient to achieve the objective of the rulemaking, to provide a dataset that is comprehensive, useful to its users, and ensure that the burden placed on the reporters of the data is reasonable. The conclusions of the MIT study cited in the NPRM validated a 40% ticket reporting threshold to achieve the purpose of the rulemaking, particularly when coupled with the removal of the minimum aircraft size requirement of 60 seats, as discussed in Issue 3. DOT further believes that, at this time, collecting a higher percentage of ticket data than what is validated as sufficient by the MIT study to support the objectives of the final rule is unnecessary. Therefore, DOT will set the sample size reporting requirement to 40 percent of eligible tickets to be submitted by reporting air carriers.

The primary ticket's right-most digit of the standard ticket document number forms the basis for the random sample size. Any Reporting Carrier that does not assign ticket numbers to passenger journeys or does not assign ticket numbers such that the final, right-most digit is not randomly assigned must develop an alternative method of creating a valid 40 percent sample for DOT approval.

Final Rulemaking Text: DOT adopts its proposal to increase the sample size for reporting to 40 percent. See §19-8.4(b) – Reporting of O&D Data

(3) Requiring all carriers who conduct scheduled service to report O&D data

In the NPRM: 14 CFR Part 241 Sec. 19-7(a) states that that all U.S. large, certificated air carriers conducting scheduled passenger operations (except helicopter carriers) shall participate in a

Passenger Origin-Destination (O&D) Survey covering domestic and international operations. In the NPRM, DOT proposed changing this requirement so that all U.S. certificated air carriers who conduct scheduled passenger service, regardless of aircraft size or seat count, would be designated as a reporting carrier for the O&D.

Comments: RAA and A4A support the broadening of U.S. carrier O&D reporting to include all carriers who conduct scheduled passenger service. ACI-NA supports the change in aircraft size reporting requirements to eliminate the 60-seat threshold for reporting O&D data.

DOT Response: DOT has concluded that expansion of the reporting pool of carriers for the O&D to all U.S. certificated air carriers is critical for a properly representative sample of market activity at small, medium-, and large-hub airports. Under the existing data collection, a 10 percent sample size by carriers operating at least one aircraft with more than 60 seats often omits small communities that are served by smaller aircraft, or that have relatively low enplanement counts. Therefore, we require in this final rule that all U.S. certificated air carriers providing scheduled service be included in the reporting carrier pool for the O&D.

Final Rulemaking Text: DOT adopts its proposal to require all U.S. certificated air carriers who conduct scheduled service to report O&D data. See §19-8.3(a) – Applicability

(4) Whether to require all foreign air carriers providing scheduled service to the United States to submit O&D data

In the NPRM: 14 CFR Part 241 Sec 19-7 does not require foreign air carriers providing scheduled service to the United States to submit data to the O&D. Foreign air carriers required by a grant of anti-trust immunity under 49 U.S.C. §§ 41308 and 41309 to report data similar to O&D data will continue to do so but under new requirements that are identical to the requirements of this rule.

Comments: A4A believes that the costs of requiring all foreign air carriers to report O&D data are far outweighed by the benefits of doing so, and also believes that foreign governments may seek reciprocal reporting requirements of U.S. certificated air carriers, significantly increasing

the data-reporting burden on those carriers. A4A also believes that requiring all foreign carriers to report, especially those not involved in immunized joint ventures, could provide unbalanced information to carriers, thus conferring a competitive advantage. Furthermore, A4A questions the ability of non-immunized carriers to provide timely Survey reporting, which could delay Department reporting and possibly generate data inaccuracies. ACI-NA and ADI are in favor of requiring foreign air carriers to provide the same data as U.S. carriers. ADI believes that domestic users of the Survey data have had trouble identifying foreign traffic itineraries and that by having foreign carriers submit to the O&D, users will be closer to having a fully inclusive Survey that provides greater insight into the domestic traveler.

DOT Response: DOT understands that there are potential challenges and repercussions in requiring all foreign air carriers to report O&D data. Specifically, foreign air carriers may not collect the same type of data that has long been required by DOT. While the collection of this data could create a more complete O&D record, enacting this requirement would be burdensome to the foreign airlines and cause substantial risks as stated by A4A. Therefore, we will not require foreign air carriers to report O&D data under this rule. Our practice to require immunized carriers to submit data is independent of this rulemaking and will continue. *See DOT's response on Issue 1, changing the reporting carrier to the issuing carrier, for additional detail related to reporting tickets that involve foreign air carriers.*

Final Rulemaking Text: DOT does not require O&D reporting by foreign carriers in this final rule. See §19-8.3(a) – Applicability.

(5) Whether smaller air carriers would need further accommodation beyond the proposed methods for reporting O&D data to DOT

In the NPRM: DOT understands that including a larger pool of reporting air carriers to the O&D may create new burdens on smaller air carriers not previously included as reporting air carriers. The NPRM asked whether further accommodations were necessary for the successful submission of O&D data by smaller air carriers.

Comments: RAA supports the option of using outside third-party vendors to make data collection and reporting services available to all O&D Reporting Carriers. RAA stated that this would be helpful to small carriers even when these third parties may need to undertake development work to support the changes envisioned in this NPRM. A4A strongly supports allowing any reporting air carrier to engage outside companies to assist with the reporting of O&D data to DOT, if it should choose to do so. A4A comments that the Department should utilize a secure file transfer protocol methodology to allow reporting air carriers to transmit data through an automated process. ATPCO states that a third-party fee-for-service provider could develop and implement a centralized solution for collecting and processing airline data, and states that this type of service has been offered in the airline tariff space, and could also be used for data collection for the O&D. ADI states that it believes the processing and distribution of the DOT Survey data needs to stay entirely within the DOT to ensure neutrality of the O&D, and if some outsourcing is used in the processing of this data, a competitive bid process open to wholly-owned domestic entities with expertise in the airline data realm should be initiated.

DOT Response: In this final rule, DOT does not outsource the responsibility of combining and distributing O&D data to a third party. This will maintain the continued neutrality in the distribution of the data. In the NPRM, DOT discussed whether use of a third-party provider could assist air carriers in collecting and organizing ticket data prior to transmission to DOT for combining and dissemination. DOT expects any third-party who offers such services to reporting air carriers to closely adhere to any instructions and directives published regarding the O&D data, reducing the burden on reporting air carriers, particularly small air carriers, by giving them options to comply with the requirements of the rule. The use of a third-party provider does not remove the responsibility of the reporting carrier to ensure and certify that its data is reported accurately and on schedule, nor does it remove the role of DOT in combining the data from the reporting carriers, validating and quality testing the data before publication. DOT will also explore enhancements to the existing data submission portal to enable automated transfers of

data (“SFTP”, “FTPS”, “API’s”), as well as alternatives to allow air carriers to submit O&D data using methods that DOT expects will require minimal, if any, software development on the part of the air carrier. This may further reduce the reporting burden imposed by the rule.

Final Rulemaking Text: Under the final rule, third-party vendors could make data collection and reporting services available to O&D Reporting Carriers who choose to utilize such services. See §19-8.7 – Submission of Data.

(6) Changes to the set of data elements: Expanded to include scheduled year and month of travel, all airports in the itinerary including “via” airports, dwell time, exchanged ticket indicator, frequent flyer program tickets, total amount, tax amount, currency and fractions of a dollar, and record identification number, Fare Basis Code removed

In the NPRM: DOT asked for comment regarding the proposed set of data elements under Sec. 19-8, to better ascertain any challenges in collecting such data. Using input from commenters (included in the rulemaking docket) and considering how data users might benefit from various data elements collected and disseminated, DOT determined the following data elements would be useful, and in most cases necessary, for various stakeholders using the data to understand market trends and make informed decisions. These data elements also strike a balance between more detailed information and the cost of collecting such information.

Scheduled Year and Month of Travel

Comments: A4A and ACI-NA expressed support for the inclusion of Scheduled Year and Month of Travel as data elements in the O&D, while A4A specifically objected to the reporting of the scheduled date of departure of each flight coupon, citing concerns regarding the dissemination of commercially sensitive information. ACI-NA stated that it does not support eliminating the date of the ticket purchase.

DOT Response: DOT views inclusion of Scheduled Year of Travel and Scheduled Month of Travel as critical to the utility of the dataset because these elements allow users of the data to analyze trip information for specific time periods even when components of the trip span multiple quarters or months. Therefore, DOT will include these data elements in the O&D. It

should be noted that the O&D currently does not collect the date of ticket purchase or provide the date of each flight associated with an itinerary. DOT does not require collection of these ticket purchase and flight date elements in this final rule because of the commercially sensitive nature of date-specific ticket information. Date of ticket purchase could allow carriers to determine individual market dynamics such as ticket booking curves.

Final Rulemaking Text: DOT adopts its proposal to require reporting of the “Scheduled Month of Travel” and “Scheduled Year of Travel”. See § 19-8.4(c) - Reporting of O&D data, 19-8.2 - Definitions. DOT also adds definitions of “Scheduled Flight Month” and “Scheduled Flight Year” in the rule for clarity. These terms are defined using their commonly understood meaning and as described in the NPRM, as follows: Scheduled Flight Month means month for a departure from an airport in the sequence of travel for a ticket. Scheduled Flight Year means year for a departure from an airport in the sequence of travel for the ticket.

Via Airports

Comments: A4A and ACI-NA support reporting Via Airports as a data element in the O&D.

A4A advises the Department to recognize that carriers may need time to build the infrastructure to link revenue accounting systems to other data sources. ATPCO states that this data element will be difficult to derive exclusively from the reported sales data, but that this data is available at the time of ticket purchase and can be calculated from schedule and flight status at that time.

DOT Response: DOT views inclusion of Via Airports as a necessary data element in the O&D, particularly to give visibility to flights that appear to be nonstop on a coupon basis but are flights containing more than one flight segment. This will allow users of the data to better determine true nonstop O&D market share and price, versus all other travel types including one-stop and “through” flights in which both segments have the same flight number but for which only a single coupon is submitted to the O&D. DOT notes that, although ATPCO may have concerns about including this information in their sales data, A4A member carriers stated that inclusion of this element represented an acceptable burden particularly when taking into account other

efficiencies made possible by other components of the rule.⁴ For these reasons, DOT will include Via Airports as a data element in the O&D.

Final Rulemaking Text: DOT adopts its proposal to require reporting of “Via Airports.” See § 19-8.4(c) - Reporting of O&D data, 19-8.2 - Definitions DOT also adds a definition of Via Airport (Point(s)) in the final rule for clarity. The term is defined using its commonly understood meaning and as described in the NPRM, as follows: Via Airport (Point(s)) means any point(s) of stopover at intermediate airports as part of a “direct” or “through” flight. These are points that are not usually recorded on a ticket as the passenger does not generally deplane from the aircraft at the intermediate point.

Dwell Time

Comments: A4A supports the inclusion of the Dwell Time data element in the O&D, so long as it reflects scheduled times rather than actual operated times, and in minutes rather than in one-hour increments. A4A also stated in their comments that using dwell time minutes:

(i) eliminates the need for carriers to round the number to the nearest hour; (ii) greatly increases the utility of the data to air carriers, DOT, and other users (for purposes of their own preferred logic to break trips and determine true O&D); and, (iii) makes it much easier to review and audit records wherein, for example, a “2” could otherwise indicate any dwell time between 61 and 120 minutes. ACI-NA supports including this data element in the O&D. ATPCO states this will be difficult to derive exclusively from the reported sales data, similar to its argument of capturing Via Airports.

DOT Response: DOT views Dwell Time (in minutes) as critical to proper determination of a flight journey. Including Dwell Time as a reported data element will enable DOT and other data

⁴ On September 24, 2021, DOT staff members met with A4A’s Chief Economist to clarify comments from A4A on the NPRM related to the definition of Total Amount, industry capabilities with respect to data transfer (SFTP), the purpose of the A4A proposed industry working group, challenges associated with reporting an exchange ticket indicator, frequent flyer program indicator reporting, zip code/postal code reporting, and fare basis code alternatives. A4A documented the discussion in a written supplemental response, <https://www.regulations.gov>, DOT-OST-2018-0132 *Ex Parte Communication with Airlines for America (A4A)*, 12-16-21 A4A Supplemental Comments on OD Modernization NPRM 2021.

users to determine a flight journey, true O&D, more accurately. DOT intends to combine the dwell time information with the existing travel routing evaluation process to provide the most reliable estimate of a flight journey, or true O&D; therefore, DOT includes Dwell Time as a required data element in the O&D. DOT also requires reporting of Dwell Time as scheduled times, in minutes rather than in one-hour increments, consistent with industry practice. This will enable users of the data to determine intended destination of travel with greater consistency. DOT will also require carriers to report Dwell Time in excess of an entire day (1,440) minutes as “9999” and allow carriers to insert a “B” (for “Break”) where the carrier recommends the trip be broken (according to internal business logic) for segments not issued by the reporting carrier should Dwell Time be unavailable.

Final Rulemaking Text: DOT adopts its proposal to require reporting of “Dwell Time”, except that Dwell Time is reported in minutes rather than rounded to the nearest whole hour to add specificity to the recorded data, as suggested by commenters. See § 19-8.4(c) - Reporting of O&D data, 19-8.2 - Definitions. DOT also adds a definition of Dwell Time in the final rule for clarity. The term is defined using its commonly understood meaning and as discussed in the NPRM but with additional specificity, as follows: Dwell Time means scheduled elapsed time (in minutes) between each ticketed coupon. Dwell Time is not required to be reported at Via Airport stops. When Dwell Time exceeds 1,440 minutes, or 24 hours, report “9999”.

Exchanged Ticket Indicator

Comments: A4A urges the Department not to include Exchanged Ticket Indicator on the list of elements collected, stating that it is extremely cumbersome and fraught with unavoidable challenges when trying to calculate the total and tax amounts to be reported. Furthermore, it stated that partial ticket reissues constitute a small proportion of tickets but would constitute a substantial proportion of O&D reporting workload. ACI-NA states that it is supportive of including this data element in the O&D. ATPCO states that a requirement to provide an Exchanged Ticket Indicator would lead to inaccurate or inconsistent data submissions resulting

from some exchanged/reissued tickets containing data reflecting the original sale of the exchange ticket or a carrier not having access to the original ticket information when provided that original ticket number with the exchange ticket.

DOT Response: In light of the comments received on the inclusion of an Exchanged Ticket Indicator, DOT has determined that the inclusion of this element is unlikely to aid accurate reporting and would therefore unnecessarily increase the reporting burden on the reporting carriers. Therefore, we will not require this data element be reported in the O&D.

Frequent Flyer Program Ticket Indicator

Comments: A4A states that its member carriers oppose the inclusion of a Frequent Flyer Program Ticket Indicator, citing that this information is commercially sensitive, and that even if the reporting air carrier is the issuing air carrier, the information about FFP redemption is not always known, and if known, may reside in a separate database, creating additional burden to air carriers to research and report the information. A4A also stated this would be extremely hard to ascertain on Category Two tickets. A4A further states in a letter dated December 16, 2021⁵ to DOT that it believes this information lies beyond the scope of what is needed by the Department and other users to accurately measure passenger traffic and fares in O&D markets. APAC is in favor of including this data element for more comprehensive market analysis. Cirium states that the inclusion of this element would be beneficial for detailed fare analysis. ACI-NA states that it supports the inclusion of this data element. ATPCO states that it would be difficult for air carriers to report this data, as each airline has its own methodology of identifying these tickets, and the proposal would require a third-party service provider to create mapping tables for each air carrier to be able to identify such tickets. ADI supports a flag to denote frequent flyer tickets but has concerns with placing this burden on airlines because it is possible to identify the majority of this type of ticket using the fields currently reported in the Survey. Given the

⁵ The A4A letter can be found in the docket at <https://www.regulations.gov>, DOT-OST-2018-0132 Ex Parte Communication with Airlines for America (A4A), 12-16-21 A4A Supplemental Comments on OD Modernization NPRM 2021.

complexities associated with this proposal, ADI believes the retention of Fare Class/Cabin Class is a higher priority.

DOT Response: In light of the comments received on the Frequent Flyer Program Ticket Indicator, we believe that requiring this data element in the O&D would be difficult for air carriers to provide on a consistent basis and lead to inaccuracy and agree that Frequent Flyer Program Ticket Indicator information would be especially difficult to include for Category Two tickets. Therefore, we will not require this data element to be reported in the O&D.

Total Amount

Comments: A4A supports reporting the Total Amount collected by the air carrier via the passenger ticket document, but opposes reporting amounts captured on other documents or in databases separate from where the passenger ticket value resides, as doing so could create a significant amount of extra work and provide misleading indicators of the amounts paid for transportation. Cirium supports including any mandatory fee collected by the carrier in the Total Amount to provide more accuracy for the purchase price paid by travelers. ATPCO believes that using the total amount from the reportable sales would be a more reliable option and would generate more consistent results than attempting to determine for each transaction whether it contains optional or ancillary charges that are not required to board the plane.

DOT Response: The Department has long interpreted the “Total Dollar Value of Ticket,” under 14 CFR Part 241 as the sum of the passenger fare plus all taxes, fees, and charges for the entire ticketed itinerary.⁶ The changes in this final rule to specify what carriers are required to report as the Total Amount of the ticket are consistent with this interpretation. Total Amount is defined in this final rule as the gross total of funds collected on a ticket by the Issuing Carrier for the

⁶ See Accounting and Reporting Directive Number 336 and number 335 which can be found at www.bts.gov, select the Topics and Geography link, select Airlines, Airports, and Aviation, select Accounting and Reporting Directives under Forms and Regulations. <https://www.bts.dot.gov/sites/bts.dot.gov/files/2021-10/Directive-No-335-O-D-Total-Dollar-Value.pdf> and <https://www.bts.dot.gov/sites/bts.dot.gov/files/2022-03/Directive%20No%20%20336%20Total%20Dollar%20Value%20Clarification.pdf>.

transportation of a passenger, inclusive of taxes and fees imposed by non-carrier entities or air carriers, and exclusive of ancillary fees not required to board the plane charged by the air carrier.⁷

Carriers are required under this final rule to include as part of the Total Amount charges required to board the aircraft (domestic and international) that are recognized as revenue at the time of purchase of the ticket up to the time of first lift of the ticket.⁸ Where a fee or charge assessed at the time of purchase of the ticket is associated with a choice, such as seat assignment, where the consumer must pay the fee or charge regardless of the choice made, the fee or charge is considered part of the Total Amount. When a fee is assessed and there is a no cost option, that fee is considered an optional, or ancillary, fee that is not included in the Total Amount. The Total Amount does not include charges for optional services (services offered which the consumer may choose not to utilize and thus not incur the fee or charge) such as baggage fees, seat upgrade fees, or ticket change fees. DOT does not consider booking fees optional when a passenger purchases through an outlet where a booking fee is imposed. When there is no other reasonable option for the purchase it should be considered a fee required to be board the aircraft. However, call center fees where the passengers could have used a reasonable alternative at no extra charge should be considered optional. Fees for a service that consumers can select that provides something distinct from the air travel product are also optional, or ancillary, fees that are not included in the Total Amount.

⁷ DOT notes that O&D reporting of Total Amount has a different scope and purpose from reporting under the full fare requirements (14 CFR 399.84). Full fare reporting is focused on advertised pricing of prospective air service and that those advertised prices are what is charged to the consumer. The O&D Total Amount is intended to align a common and standardized definition of O&D Total Amount across all reporting carriers for the purpose of economic analysis.

⁸ It is common practice that tickets sold in advance of the flight date are initially recorded as an air traffic liability on the company's consolidated balance sheet. In this case, fare revenue is only recognized in passenger revenue within the statement of operations at the time of departure when the transportation is provided. O&D Total Amount requires the capture of associated fare, taxes, and fees when recognized by the accounting system at any point from the initial purchase date up to the point of first departure.

The following is a non-exhaustive list of carrier-imposed fees and charges that must be reported as part of the Total Amount of the ticket: fuel surcharges, carrier usage charges, carrier interface fees, check-in fees, electronic usage charges, peak/holiday travel fees, transaction processing charges, and credit card surcharge fees. When a customer is assessed, a fee based on how the customer acquires a ticket to board the aircraft, a booking fee, the fee is included in the Total Amount. Being required to pay a fee or charge for electronic or phone booking where there is no fee for purchase at the counter is an example of a fee that would still need to be reported in the Total Amount. DOT has determined that the booking fee is included in the Total Amount because, as noted in the preceding paragraph, if a passenger purchases through an outlet where a booking fee is imposed, that fee is required to be paid to board the aircraft. In addition, purchase at the counter is conducted by a very small percentage of consumers and, as a result, this required fee is paid by the vast majority of consumers when purchasing air travel. Carriers must also include all taxes and fees imposed by the U.S. or a foreign government, such as, but not limited to, Federal excise taxes, flight segment taxes, U.S. passenger facility surcharges, September 11 security fees, U.S. or international departure and arrival charges, and immigration charges. Carriers must also include taxes and mandatory fees charged by other foreign authorities, such as passenger service charges and airport taxes.

Unaccompanied minor fees are charges for services to assist an unaccompanied minor, for example, in navigating security and getting to the correct gate to catch a flight and ensuring that the unaccompanied minor arrives at the correct destination. DOT does not include these fees as part of the Total Amount in this final rule. Unaccompanied minor fees are currently a very small percentage of airline revenue and are not included on the standard passenger ticket document for reporting purposes, and thus may require additional unreasonable effort for reporting on behalf of the airline. The Department does not include frequent flyer program redemption fees as part of Total Amount in this final rule because such fees also make up a relatively small portion of airline revenue and are not included on the standard passenger ticket

document for reporting purposes, and thus may require additional unreasonable effort for reporting on behalf of the airline.⁹ As a result, the term Total Amount should align with standard passenger ticket documents. For air carriers that do not follow such standards or have created new fees that may not be included in the standard passenger ticket document and yet are required to be paid to board the aircraft, these must also be included in Total Amount. DOT may also reexamine exclusion of unaccompanied minor and frequent flyer program redemption fees if it is determined that air carrier revenue derived from such fees increases significantly.

Final Rulemaking Text: DOT adopts its proposal to require reporting of “Total Amount.” See § 19-8.4(c) - Reporting of O&D data, 19-8.2 - Definitions. DOT also adds a definition of Total Amount in the final rule for clarity. The term is defined as discussed in the NPRM, as follows:

Total Amount means gross total of funds collected on a ticket by the Issuing Carrier for the transportation of a passenger, inclusive of taxes and fees imposed by non-carrier entities or air carriers, and exclusive of ancillary fees not required to board the plane charged by the air carrier. Factors considered in determining what should be included in the Total Amount are as follows:

- (a) Total Amount includes charges required to board the aircraft (domestic and international) that are recognized as revenue at the time of purchase of the ticket and up to the time of first lift of the ticket.
- (b) Where a charge assessed at the time of purchase of the ticket is associated with a choice, such as seat assignment, where the consumer must pay the fee or charge regardless of the choice made, the charge is considered part of the Total Amount.
- (c) The Total Amount does not include charges for optional services (services offered which the consumer may choose not to utilize and thus not incur the fee or charge) such as baggage fees, seat upgrade fees, or ticket change fees. When a fee is assessed

⁹ To the extent that frequent flyer program redemption fees are imposed on the purchase of a ticket, those fees would be required to be included in the advertisements pursuant to the Department’s full fare rule (14 CFR 399.84).

and there is a no cost option, that fee is considered an ancillary fee. When a fee is assessed for a service that provides something distinct from the air travel product then that fee is considered an ancillary fee.

- (d) The term Total Amount should align with standard passenger ticket documents; however, for air carriers that do not follow such standards or have, or may have, created new fees that may not be included in the standard passenger ticket document and yet are required to be paid to board the aircraft, these must also be included in Total Amount.

Based on the criteria above, the following is a non-exhaustive list of carrier-imposed fees and charges that must be reported as part of the Total Amount of the ticket: fuel surcharges, carrier usage charges, carrier interface fees, check-in fees, electronic usage charges, peak/holiday travel fees, transaction processing charges, and credit card surcharge fees. When a customer is assessed a fee based on how the customer acquires a ticket to board the aircraft, a booking fee, the fee is included in the Total Amount. Being required to pay a fee or charge for electronic or phone booking where there is no fee for purchase at the counter must be reported in the Total Amount. Being charged a call center fee for booking by phone when the customer could have booked online at no charge is not an example of a booking fee that must be reported. Carriers must also include all taxes and fees imposed by the U.S. or a foreign government, such as, but not limited to, Federal excise taxes, flight segment taxes, U.S. passenger facility surcharges, September 11 security fees, U.S. or international departure and arrival charges, and immigration charges. Carriers must also include taxes and mandatory fees charged by other foreign authorities, such as passenger service charges and airport taxes. Carriers are not required to include unaccompanied minor fees and frequent flyer redemption program fees.

Note that in the NPRM, DOT stated that “if there is an outlet for which there is no ticket fee (e.g., online purchases) and the only additional purchase fees are for tickets purchased via the airline’s disfavored outlets, such as telephone or in-person sales, then the fee is not mandatory

and would not need to be included in the Total Amount reported to the Department.” DOT’s final rule is essentially consistent with the preamble discussion in the NPRM because airlines typically impose the booking fee when consumers purchase tickets using the airlines’ favored outlets (i.e., online purchases) – not disfavored ones as posited in the NPRM. Telephone and in-person sales make up a much smaller percentage of ticket purchases. In addition, on further consideration and as explained previously in this section, DOT considers booking fees as fees that the consumer must pay to board the aircraft.

Tax Amount

Comments: A4A supports reporting the aggregate of fees and taxes imposed by external governmental entities and paid by the passenger as the Tax Amount. A4A opposes the inclusion of any air carrier-imposed fees in the Tax Amount because such inclusion would defeat the purpose of adding this data element. ACI-NA supports the proposed new items for total taxes. It also recommends that DOT consider requiring a full breakdown of government-imposed taxes and user fees. ATPCO supports a similar approach to representing Total Tax as it does with Total Amount, thereby ensuring consistent and reliable information.

DOT Response: DOT has determined that reporting the Tax Amount paid will provide the necessary information to achieve the goals of the data collection, to identify the total tax burden on a per ticket basis and will not require a full breakout of all taxes paid on a ticket. DOT has determined that requiring carriers to report a full breakdown of government-imposed taxes and user fees would add burden and complexity to the point that the collection would no longer be cost effective while adding little utility to the mission of the collection. DOT also recognizes that, in the case of Category Two tickets, it would be especially difficult, if not impossible, for the reporting carrier to report a breakout of these taxes and fees for all tickets rendering such a reporting requirement burdensome, incomplete, and inadequate. For this rulemaking, Tax Amount means all aggregated taxes and fees imposed by the U.S. government, a foreign government, or a government entity such as, but not limited to, Federal excise taxes, flight

segment taxes, U.S. passenger facility surcharges, September 11 security fees, U.S. or international departure and arrival charges, and immigration charges. Taxes and mandatory fees charged by other foreign authorities, such as passenger service charges and airport taxes, are also considered part of Tax Amount.

Final Rulemaking Text: DOT adopts its proposal to require reporting of “Tax Amount.” See § 19-8.4(c) - Reporting of O&D data, 19-8.2 - Definitions. DOT also adds a definition of Tax Amount in the final rule for clarity. The term is defined using the commonly understood meaning of “taxes” as government-imposed fees or other charges, and as discussed in the NPRM, as follows: Tax Amount means all aggregated taxes and fees imposed by the U.S. or a foreign government, such as, but not limited to, Federal excise taxes, flight segment taxes, U.S. passenger facility surcharges, September 11 security fees, U.S. or international departure and arrival charges, and immigration charges. Taxes and mandatory fees charged by other foreign authorities, such as passenger service charges and airport taxes, are also considered part of Tax Amount.

Currency and Fractions of a Dollar

Comments: A4A supports the proposed approach to report all amounts in United States Dollars, rounded to two decimal places.

DOT Response: Consistent with other DOT data collection requirements, monetary amounts reported in the O&D shall be reported in United States Dollars (USD), rounded to two decimal places. Reporting Air Carriers should use their internal revenue accounting practices to determine proper currency conversion rates if their ticket data includes non-USD amounts.

Final Rulemaking Text: DOT adopts its proposal to require reporting of all amounts in USD, rounded to two decimal places. § 19-8.4(c) - Reporting of O&D data, 19-8.2 - Definitions

Record Identification Number

In the NPRM: The NPRM proposed the creation of a unique Record Identification Number (RIN) generated by the O&D Reporting Carrier for each Eligible Ticket submitted to the O&D. This would

allow the Department to communicate precisely to the O&D Reporting Carrier any records that may have missing or incomplete data elements or are otherwise flagged for review. The Department sought comment on how to standardize the format of the RIN by incorporating helpful elements, such as the month and year of travel, plate code of the O&D Reporting Carrier, ticket number, or origin/destination, while at the same time preserving the number as a unique record identifier. No comments were received on the specific format.

Comments: A4A supports the creation of a Record Identification Number for each eligible ticket submitted for the reasons stated in the NPRM.

DOT Response: In this final rule, DOT requires air carriers to assign a Record Identification Number (RIN) to each ticket deemed eligible for submission to the O&D, facilitating easier record identification by the Reporting Carrier when correcting tickets reported with errors. Refer to the *Instructions to Air Carriers for Collecting and Reporting Passenger Origin-Destination Survey Data.*¹⁰

Final Rulemaking Text: DOT adopts its proposal to require reporting of a “Record Identification Number” (RIN). DOT also provides a definition of RIN for clarity, as follows: Record Identification Number (RIN) means an air carrier assigned number that uniquely identifies each ticket within each reporting period. See § 19-8.4(c) - Reporting of O&D data, 19-8.2 – Definitions.

Removal of Fare Basis Code

Comments: A4A strongly supports removal of the fare basis code for the reasons stated in the NPRM, and notes that ceasing to report fare basis codes will substantially decrease the burden on the reporting air carriers. APAC is in favor of minimizing the burden on O&D reporting carriers while still collecting fare class, or at the very least, cabin class in lieu of the fare basis code. ADI is opposed to the removal of the fare class and cabin class from the collected data. ADI further

¹⁰ Instructions are available from the Bureau of Transportation Statistics Office of Airline Information. Please visit <https://www.bts.gov/> or call 800-853-1351.

states that continuing to include these two components in the submitted data should not create any undue burden and that removal of this data would reduce the robustness of the data. Cirium recommends including fare class or the directly assigned booking code values to facilitate “meaningful” fare analysis. A4A, however, expresses concerns with the availability, ease of reporting, or reliability/consistency of using directly assigned booking code values. A4A notes that airlines often deviate from standard booking code values. A4A also notes that while booking code could conceivably be used as an indicator of passenger segmentation because cabin use has some correlation with passenger segmentation, A4A considers it to be an imperfect indicator as there is no uniformity across air carriers in the definition of aircraft cabin configurations or products included within cabin classes. Lastly, A4A states that it is more common for a passenger to mix cabin classes on multi-leg itineraries, which creates difficulty in determining whether the passenger was truly intending to travel as a business or leisure customer, or simply purchased available cabin class inventory to secure intended dates of travel. A4A therefore argues that its member carriers do not support using booking codes for passenger segmentation. A4A proposed the use of Advanced Purchase Window (APW) as a less burdensome and more accurate indicator of the leisure/business travel split. A4A cites that this indicator is applicable to the entire itinerary regardless of how many segments are flown, is a far less burdensome and a more accurate indicator of travel as the indicator is not tied to the row or seat a passenger occupies, which airline is flown, or whether the purchase is one-way or round-trip.

DOT Response: DOT has collected fare basis code data in the O&D under 19-7, but since inception of this data element requirement, airline revenue accounting practices have evolved with increasing complexity. This data element has been primarily used for the purpose of segmenting market demand into similar categories of service or product categories for more discrete pricing analysis of air carrier product market segments. This has required the carriers and then the users of the data to “map” individual carriers’ fare basis codes in an attempt to

standardize codes across carriers and across time. The evolution of air fare products across air carrier business models and time, with the gradual replacement of many First Class products by lie-flat Business Class products - some of which feature suite characteristics, the introduction of Premium Economy Class, and the bifurcation of traditional Economy Class into separate discrete product types makes any standardization system based on such characteristic burdensome and expensive to implement and always subject to inaccuracy given the limited set of information available to DOT and to individual data users. A4A commented that the use of advance purchase window would provide a better solution for ticket segmentation. A4A contends that the best metric for passenger segmentation is the advance purchase window, which indicates how far in advance a ticket was purchased from date of travel. A4A further states that airline network planners and revenue management analysts use advance purchase metrics to segment traffic, including estimating the share of premium travelers. Given that Advance Purchase metrics are an integrated part of the same sales and revenue accounting systems that serve as a source for O&D information and for the other reasons provided in comments, DOT will no longer require fare basis code to be reported in the O&D. Instead, DOT will add the data element Purchase Window Group to the list of elements collected in this Rulemaking, with each ticket demarcated by the following categories:

- 1) “21AP”: Less than or equal to 21 days prior to departure;
- 2) “2290”: 22 to 90 days prior to departure; and
- 3) “91UP”: More than 90 days prior to departure.

A4A maintains the above suggested buckets strike an appropriate balance between shielding more granular and therefore competitively sensitive information and enabling O&D users to evaluate product segment attributes such as the business versus leisure split of the market. A4A further states that the 21 days or less purchase bucket is a commonly accepted industry approach to determining the leisure and business demarcation. Airlines must determine the appropriate

category by subtracting the date of ticket purchase from the date of scheduled travel in the itinerary.

Final Rulemaking Text: DOT adopts its proposal to no longer require reporting of fare basis code. Instead, for the reasons explained in the preceding discussion, DOT requires reporting of “Purchase Window Group.” In the NPRM, the Department sought alternatives to fare basis code, stating that DOT could instead collect “fare class or a replacement data element instead.”

86 FR 5052, 5058 (Jan. 19, 2021). A4A responded to the NPRM recommending that DOT instead require reporting of Purchase Window Group. A4A provided in its comments its reasoning for recommending reporting of Purchase Window Group, which DOT considered in adopting the requirement in this final rule. DOT also adds a definition of Purchase Window Group for clarity, as follows. Purchase Window Group means one of three groups indicating the advance purchase window of the ticket. “21AP” is less than or equal to 21 days prior to departure, “2290” is 22 to 90 days prior to departure, and “91UP” is more than 90 days prior to departure. See § 19-8.4(c) - Reporting of O&D data, 19-8.2 - Definitions.

Cabin Class

Comments: A4A opposes the inclusion of ticketed or flown cabin information primarily because it would add complexity and costs to the reporting process without providing consistent, meaningful, comparable data. A4A also states that there is no uniformity across airlines on airline cabins, products within each cabin, or cabin configurations. APAC commented that it is in favor of minimizing the burden on O&D reporting carriers while still collecting fare class, or at the very least, cabin class in replacement of the fare basis code. ACI-NA does not support eliminating the cabin class the passenger uses on each of the flights.

DOT Response: In light of the comments received on cabin information, similar to Fare Basis Code, DOT has determined requiring carriers to report cabin class would add burden, complexity, and not improve data quality. Although the existing Fare Basis Code includes elements related to First, Business, and Economy class service, continued reporting of this type

of information would no longer be cost effective in the new system given all the other changes being introduced. DOT also recognizes that, in the case of Category Two tickets, it would be especially difficult to include cabin class information to the point where such reporting would not be useful due to lack of accurate information available to the reporting carrier. DOT concludes that the key analytical value of such information is to segment the product market and the purchase window group enables an analyst to do so to a certain extent. DOT further recognizes that other data sources such as schedule data can be used to determine the types of onboard products available in a market, and when combined with O&D analysis utilizing advance purchase window, will enable users to obtain a picture of the pricing situation by market segment. DOT will not require the reporting of cabin class as a data element in the O&D.

(7) Whether optional ticket purchase fees collected from most tickets should be included in the total amount of a ticket

In the NPRM: Airlines' revenue accounting of tickets purchased has evolved significantly since the inception of the O&D. How air carriers sell their services has changed, including a larger adoption of fees for various services related to air travel, including fees for booking a ticket through telephonic means and pre-selection of a seat at the time of ticket purchase, among many other fees. DOT asked for comments related to the inclusion of those fees with base fare and tax amount, as part of the total amount of a ticket.

Comments: These comments are described in the "Total Amount" discussion.

DOT Response: These comments are addressed in the "Total Amount" discussion.

(8) The appropriate amount of time to withhold O&D data from dissemination

In the NPRM: In the NPRM, we state that reducing the amount of time to withhold O&D data from dissemination from 90 days to 60 days would balance the value of providing timely information to stakeholders while still protecting the business confidentiality of the reporting air carriers.

Comments: A4A supports reducing DOT's minimum data withholding period for O&D and T100/T100(f) from 90 days to 60 days. RAA supports the position of A4A. ACI-NA supports shortening of Schedule T100(f) from six months to three months and recommends that DOT develop internal administrative procedures to ensure the data is available to stakeholders with minimal delay and potentially coordinate the release time with the Schedule T100.

DOT Response: O&D is currently released approximately 80 days after the end of the reporting period. The 80 days is made up of a 45-day period for reporting carriers to submit and approximately a 35-day period for DOT to load, validate, quality test, and resolve any identified quality issues with the reporting carrier(s). The actual amount of time required to complete the data processing varies based on the specifics of each processing cycle. In any given quarter, one or more carriers may have complex data quality problems that could require more than 35 days to correct. The majority of the 35-day processing cycle is made up of interactions with reporting carriers to correct data quality issues. At times, multiple iterations of communications between DOT and the reporting carrier(s) are required to resolve the issue. The reporting requirement that is most often attributed to data quality problems is the first reporting carrier rule. The current rule requires the carrier that did not issue the ticket to bring together ticket information from all carriers that participate in an itinerary. This new rule will have the carrier that issues the ticket, which has all the necessary information about the ticket, be the carrier responsible for submitting the ticket information. This will eliminate a major source of error, reduce the amount of time reporting carriers spend searching for missing information, and reduce the number of interactions with DOT. DOT will build in greater automation to the data processing system that will be developed to accommodate the data changes required by this rule which will contribute to faster production. There is uncertainty about the total production impact of the new rule, however, given that the reporting will go from quarterly to monthly and there will be an expansion of reporting carriers. DOT will continue to ensure that only complete data of the highest quality is published as soon as possible. The target publication date will initially be 75

days from the end of the data reporting period. As the reporting carriers and DOT prove the processing cycle is robust, the publication window may be reduced to the greatest extent possible while still meeting data quality and completeness goals. This reduction and any future reductions will be accomplished by: (1) improving the submission rules to reduce quality errors, (2) automation improvement in the processing cycle, and (3) coordination and cooperating between DOT and reporting carriers to resolve any data quality issues as expeditiously as possible. This approach will strike a balance between providing timely data while protecting the quality of the data provided. DOT reserves the right to withhold incomplete data until it can be corrected but recognizes the need to accelerate production to the maximum extent possible.

(9) and (10) Adding the descriptor “citizens and non-citizens” to the other persons offered an opportunity to obtain domestic carrier-submitted itineraries with foreign origin and destinations points in the O&D. Replacing the phrase “specifically identified need” with a defined list of permissible, specifically identified needs that would be codified in the regulation, and if so, what that defined list should include

In the NPRM: Under 14 CFR part 241, Sec. 19-7(d), international itinerary data in the O&D is not generally disclosed because of the potential damaging competitive impact on U.S. carriers and the adverse effect upon the public interest that would result from unilateral disclosure of data related to foreign markets. The disclosure policy identifies exceptions for government interests and for air carriers contributing data to the O&D. DOT proposed adding the descriptor “citizens and non-citizens” to the other persons offered an opportunity to obtain the data based on specifically identified needs that are consistent with U.S. interests. We also sought comment on whether to replace the phrase “specifically identified need” with a defined list of permissible, specifically identified needs that would be codified in the regulation, and, if so, what that defined list should include.

Comments: A4A states that it is critical that the Department take all precautions in the final rule to ensure that air carriers registered outside the United States, foreign governments, consultants, or others when working on behalf of said parties, not be granted access to data on international markets contained in the O&D. A4A further stated, however, that U.S.-based business units of

foreign-based aircraft manufacturers (e.g., Airbus Americas, Embraer) should be granted access to such data, subject to the same obligations to protect against unauthorized disclosure, for purposes of marketing their services to, or performing analyses request by, U.S.-based air carriers. Airbus strongly supports the Department's proposed changes to the dissemination of this data, particularly the addition of “citizens and non-citizens” to the other persons offered an opportunity to obtain the data based on specifically identified needs and consistency with U.S. interests. It believes that by expanding access to the international O&D data, the Department will allow Airbus and other U.S.-based civil aircraft manufacturers with a significant presence in the U.S. market the opportunity to better tailor product offerings to better serve U.S. airlines and the U.S. aviation market.

DOT Response: DOT did not receive comments expressing concern with the inclusion of the term “non-citizens” in the group of persons eligible to have access to international itineraries as long as that access is for a purpose that supports U.S. Government (USG) efforts or those of carriers required to report the data. This will enable the USG or carriers required to report the data greater access to global analytical capabilities from third parties that may be non-citizens. DOT will add the term “non-citizens” while maintaining the same policy framework for the release and use of international O&D data enabling non-citizen analysis of the O&D that meets the criteria outlined above. There were no comments directly addressing the DOT question related to a defined list of permissible, specifically identified needs that would be codified in the regulation.

Final Rulemaking Text: DOT adopts its proposal to add the descriptor “citizens and non-citizens” to the other persons offered an opportunity to obtain domestic carrier-submitted itineraries with foreign origin and destinations points in the O&D. DOT does not replace the phrase “specifically identified need” with a defined list of permissible, specifically identified needs at this time. See § 19-8.6 - Dissemination

11) Shortening the time that Schedule T100(f) data is withheld from 6 months to 3 months

In the NPRM: In the NPRM, we solicited comment on whether shortening the time that DOT withholds public release of the T100(f) from six months to three months would provide increased utility of the data.

Comments: RAA believes that timely traffic and fare information is critical to both industry and government analysis considering the importance of aviation to the U.S. and world economy. A4A asks that DOT reduce the withholding periods for both T100 and T100(f) to 60 days to align with the proposed withholding period for O&D data. ACI-NA asks that DOT reduce the withholding periods for both T100 and T100(f) to 60 days to align with the proposed withholding period for O&D data.

DOT Response: Aligning the release of various aviation datasets is advantageous to the users of the data, so long as it: 1) does not produce any concerns of infringing on business confidentiality by shortening the release of such data, and 2) does not compromise data quality or completeness. Given the comments we have received, DOT will shorten the period that T100(f) data is withheld from six months to what will be approximately 70 days depending on the month. Currently, T100/T100(f) data are due 30 days after the end of a reporting period. In the case of Schedule T100/T100(f), DOT takes approximately 45 days to load, validate, quality test, and resolve any identified quality issues with the over 200 operating carrier(s) that report each month. This change will align the processing and release of Schedule T100(f) with that of Schedule T100 while also reducing the DOT processing cycle for T100/T100(f) to approximately 40 days. The result will be that T100/T100(f) will be published approximately 70 days after the end of a reporting period. This will include T100/T100(f) that contains domestic only points and one domestic point and one international point. O&D processing is dependent on Schedule T100 data for validation and rather than hold T100/T100(f) while awaiting O&D validation, DOT will release T100/T100(f) data as soon as it is validated and complete. DOT will publish T100/T100(f) data as soon as practicable while maintaining quality standards. DOT has determined that this change will not lead to any business confidentiality concerns because

technological advances in market intelligence data collection give air carriers more insight into foreign and domestic routes much sooner than in decades past. This reduction in the publication cycle is in line with current market intelligence and analytics products available today, thereby ameliorating previous concerns of business confidentiality.

(11) A reasonable compliance date to begin no earlier than one year from the publication of the final rule

In the NPRM: In the NPRM, we proposed that the compliance date for the improvements to the O&D would be no earlier than one year from the publication of any final rule, giving reporting air carriers sufficient time to implement information technology solutions to transmit data in conformity with the final rulemaking.

Comments: A4A agrees with DOT that air carriers and others should be afforded at least 12 months to modify their systems and procedures to comply with a final rule. A4A further requests that the date for implementation and compliance coincide with the beginning of a reporting quarter under Section 19-7 and not be earlier than January 2023 because of the lingering resource constraints on air carriers stemming from the COVID-19 pandemic. ATPCO believes a solution can be in place within one year to start parallel testing of O&D data under Sec. 19-7 and Sec. 19-8.

DOT Response: DOT affirms that the compliance date for the changes to the O&D will be no earlier than one year from the publication from the final rule. DOT has provided for a compliance date in the final rule of July 1, 2025. If air carriers are ready to report their data using Section 19-8 prior to that date, and DOT has determined that air carrier reporting pursuant to 19-8 is sufficient for such data to become the O&D system of record, DOT may consider authorizing discontinuance of reporting pursuant to Section 19-7, but not earlier than January 1, 2025, to ensure that air carriers have time to implement the new Section 19-8. This also ensures the 19-8 data compliance occurs at the beginning of a new quarter and the 19-7 quarterly data will be complete for the last full quarter it is collected. For air transportation taking place on or

after April 1, 2024, and each reporting month after, reporting carriers may submit O&D data to the Bureau of Transportation Statistics, Office of Airline Information (BTS/OAI) that conforms to Sec. 19-8 as test data.

Final Rulemaking Text: DOT adopts its proposal to establish a compliance date no earlier than one year from the date of publication of the final rule. Specifically, air carriers must report O&D data pursuant to the new Sec. 19-8 for all air travel occurring on or after July 1, 2025. This means that the first data collection using Sec. 19-8 as the statistics of record will be due to DOT by September 15th, 2025. See §19-8.3(c) - Applicability.

(12) Reporting data under Sec. 19-7 until such time that Sec. 19-8 replaces Sec. 19-7 as the statistics of record

In the NPRM: In the NPRM, DOT stated that air carriers would continue to report O&D data under Sec. 19-7 until DOT determines testing and validation of data submitted under Sec. 19-8 is complete and suitable to replace data collected under Sec. 19-7 as the statistics of record. The Department also stated that it envisioned the submission of 12 months of data under Sec. 19-8 for testing and validation as sufficient to resolve any problems that may arise in the submission and processing of data.

Comments: A4A states that its members are concerned about the manpower required to support dual reporting for an extended length of time, and therefore asks the Department to shorten the proposed dual-reporting period from 12 months to six months. A4A further noted, “Should the Department identify issues with a particular carrier’s compliance, it should work with that specific carrier to extend the dual-reporting period, but not require that all carriers extend the period to 12 months.”

DOT Response: DOT recognizes that dual reporting of O&D data will require additional resources but must balance this with the assurance that the new datasets created under Sec. 19-8 are robust, accurate, and suitable to replace data collected under Sec. 19-7 as the statistics of record. DOT will work with reporting air carriers to minimize the number of months whereby

carriers must submit data under Sec. 19-7 and Sec. 19-8. DOT highly recommends reporting carriers develop the necessary systems and processes to enable reporting of O&D test data as prescribed by this section starting with April 2024 data, 17 months from the date of this rule's publication. DOT will accept test data as prescribed by section 19-8 on May 1st, 2024, one day after the end of the first reporting period for test data. DOT recommends reporting carriers submit the first period of test data within 45 days of the end of the first test period, which will mirror the submission schedule after the compliance date. Each subsequent monthly period after May 2024, DOT will continue to accept test data so that reporting carriers and DOT can validate the reporting process and reported data. During this time, reporting carriers subject to part 19-7 will continue to report 19-7 as the system of record for O&D data. To the extent possible, DOT will terminate overlap reporting of 19-7 system of record data and 19-8 test data after two cycles of 19-7 data are compared to the corresponding overlapping six cycles of 19-8 test data should there be no quality problems. This corresponds to six months of overlap data being reported as requested by A4A. Should DOT determine overlap reporting can be terminated after the six months of overlap reporting are compared and validated, DOT may terminate the dual reporting requirement as of the earliest possible date that corresponds with the beginning of a quarterly submission period which would be January 1st, 2025. DOT will make every effort to assist each carrier with compliance so the dual-reporting period can be shortened to the six months of overlap. To validate the 19-8 data, DOT will compare it to 19-7 O&D data, T100 data, and schedule data for the same periods. The final decision setting the compliance date to six months of dual reporting will depend on the scope of any deficient carrier(s) operations and the degree to which the problem carrier(s) may codeshare with other carriers which will impact DOT's ability to obtain the full sample of data necessary for comparison.

(13) The utility to users and additional burden to O&D reporting carriers of reporting individual tax and fee amounts instead of reporting the aggregate amount of taxes and fees

In the NPRM: In the NPRM, we asked whether there would be utility to users and additional burden to O&D reporting carriers of reporting individual tax and fee amounts instead of reporting the aggregate amount of taxes and fees.

Responses: A4A strongly opposes reporting taxes and non-air carrier fees on a disaggregated (itemized) basis. ATPCO states that an attempt to require the submission of more detailed tax information will introduce inaccuracy into the survey data because the information is not provided in the sales data, and that a total tax value similar to the total amount value would provide a more consistent and reliable figure base on their experience with the reported sales data.

DOT Response: DOT has determined that any additional utility in requiring reporting air carriers to submit disaggregated, itemized taxes and non-air carrier fees is outweighed by the complexity and burden that such reporting would entail. Refer to Issue 6 Tax Amount for further related discussion. DOT will therefore require reporting air carriers under Sec. 19-8 to submit taxes and non-air carrier fees only on an aggregated basis.

Final Rulemaking Text: See Issue 6 Tax Amount. § 19-8.4(c) - Reporting of O&D Data,
19-8.2 - Definitions

(14) Comments related to the annual burden estimate for reporting carriers to collect and submit O&D data

In the NPRM: DOT solicited comments to: (1) evaluate whether the proposed information requirement is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility for stakeholders; (2) evaluate the accuracy of the agency's estimate of the burden; (3) enhance the quality, utility, and clarity of the information collected; and, (4) minimize the burden of collecting information on those who must report, including by using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Responses: ACI-NA comments that the current rules for the O&D were established in the 1960s and technology and data storage were significant limiting factors. Airlines now have different business models, reporting, and accounting practices due to technological advancements, including sophisticated revenue management systems. ATPCO states it does not have adequate information to comment specifically on the cost savings published in the NPRM, but it does believe that a centralized solution provided by an industry organization does offer the opportunity for meaningful cost savings over the current method for collecting the survey.

DOT Response: In establishing this final rule, the Secretary of Transportation must consider as being in the public interest and consistent with public convenience and necessity “placing maximum reliance on competitive market forces and on actual and potential competition.”¹¹ Accurate and timely information is a necessary predicate to evaluating markets. DOT concludes, based on the RIA, and as discussed in the NPRM and this final rule, that the O&D Survey remains justified, that there are issues of objectivity, integrity, and utility with the current collection, and that the changes necessary to correct the issues as finalized in this rule will result in a net reduction in burden to the public when compared to taking no action. The changes in the final rule simplify the reporting process by aligning reporting rules with current carrier revenue reporting systems which will drastically minimize the potential for errors compared to current reporting, clarify definitions, and make available a more diverse set of data elements relevant to the analysis of contemporary aviation markets. We therefore affirm that the changes to the O&D under Sec. 19-8 are necessary for the proper execution of the agency’s aviation policy making functions and will enhance the quality, utility, and clarity of the information collected, and that we have attempted to minimize the burden of collecting information to the maximum extent possible on those who are required to submit that information to the O&D.

¹¹ 49 U.S.C. § Sec. 40101(a)(6).

(15) Implementation and establishing a permanent working group of O&D reporting airlines

Responses: A4A and RAA request that DOT establish a permanent working group of O&D reporting air carriers to work with the Department on an ongoing basis to identify issues that arise and review and recommend appropriate changes to BTS/OAI Directives and/or Instructions. RAA also states the group should include representatives from data reporters and data users and consider including at least one representative from RAA or RAA members. ATPCO encourages the establishment of an industry meeting or working group involving the airlines, industry organizations and the Department to ensure consistent and accurate data submission guidelines.

DOT Response: DOT recognizes the importance of involving stakeholders in the development and implementation of data collection efforts and has worked diligently to facilitate discussion and encourage collaboration in data modernization efforts. DOT will continue to engage stakeholders and other interested parties to implement this rule as efficiently and effectively as possible and to respond to the issue and concerns of both the reporting carriers and data users. DOT encourages air carriers and any other interested parties with questions concerning implementation of the final rule to contact DOT, so that DOT can consider those implementation questions and determine the most appropriate means to communicate a response to all affected carriers and the public. DOT will ensure compliance with the Federal Advisory Committee Act and other relevant requirements in its engagement with the public.

Other changes from the NPRM

Retention of Section 19-7 and Relevant Provisions from the Current Appendix A to Section 19-7.

In the NPRM regulatory text, DOT included an amendatory instruction to remove Sec. 19-7. DOT determined that such an instruction is inappropriate given the dual reporting envisioned by DOT in Section VI of the NPRM and discussed in this final rule. DOT therefore retains the regulatory text for Sec. 19-7 to assist air carriers in conducting the overlap reporting necessary before reporters are required to report only pursuant to Sec. 19-8. In addition, DOT has retained

in the regulatory text sections on Waiver Requests, Quantity and Quality Controls, Editing Data, and Control of Sample Section and Data Recording. These appear unchanged from the Appendix A to Sec. 19-7 and have been included for clarity of the regulatory requirements of Sec. 19-8. While DOT did not include these sections in the regulatory text in the NPRM, DOT did not intend to change these regulatory requirements and did not discuss any proposed changes to these requirements in the NPRM. DOT also retained certain definitions and terms with adjustments to align them in a more consistent manner with current industry understanding and recordkeeping. These amendments are intended to update the outdated terms in the 19-7 regulations with minimal, if any, change in reporting/meaning intended. These terms include: Connecting Point, Destination, Coupon Stage, Flight Coupon, International Ticket, Operating Carrier, Origin, Reporting Carrier, Routing, and Scheduled Service. DOT included new terms that are relevant to only the new regulations to further clarify for carriers the proper interpretation of the regulations for accurate reporting. These terms include: Commuter Air Carrier, Dwell Time, Eligible Ticket, First Reporting Carrier Rule, Flown Lift Usage, Issuing Carrier, Marketing Carrier, Purchase Window Group, Record Identification Number, Reporting Event, Reporting Carrier List, Reporting Month, Reportable Ticket, Reporting Year, Revenue Passenger, Scheduled Flight Month, Scheduled Flight Year, Tax Amount, Ticket, Total Amount, USD, Via Airport (Point(s)). As discussed in the section of the preamble explaining DOT's responses to comments on the NPRM, DOT defined these terms using their commonly understood meanings and as described in the NPRM, with additional clarification as necessary and as suggested by commenters.

VIII. Regulatory Analysis and Notices

A. EO 12866 (Regulatory Planning and Review), EO 13563 (Improving Regulation and Regulatory Review), and DOT Regulatory Policies and Procedures (49 CFR Part 5)

This rulemaking is not considered a significant regulatory action under section 3(f) of EO 12866,¹² as supplemented by EO 13563.¹³ The impact of the rule on the economy is less than \$100 million; the rule does not create conflicts with actions taken by other agencies; alter budgetary impacts of entitlements, grants, fees, or loans; or raise any novel legal or policy issues. This regulatory action modifies an existing regulation and is expected to result in cost savings to producers and users of the data as well as to the Federal government. This action is also expected to result in benefits to users of the data, including the O&D Reporting Carriers.

1. Cost and Benefits

The Final Regulatory Impact Analysis estimates the total discounted savings that could be monetized over a 10-year period. Savings could be robustly estimated only for the reporting requirements and may not include some other potential costs which the Department expects to have minimal impact. The cost savings of the reporting requirements are estimated to total \$10,367,702 over ten years, which will result in an annualized system cost of \$1,476,128, when discounted using a seven percent rate. Given these estimates, the rule is not economically significant. The net costs of the final rule were determined by comparing the costs of the existing system to the projected costs with the proposed modification. The Department's analysis identified three primary categories of potential cost reductions:

- Cost reductions to data producers: the reduction in the costs of producing information for government reporting, due to technological simplification of data processing and submission.

¹² 58 FR 51735; September 30, 1993.

¹³ 76 FR 3821; January 21, 2011.

- Cost reductions to the government: the reduction in costs to edit, manipulate, and validate the O&D data for release.
- Cost reductions to the public/users of the data: the reduction in time that users must spend applying specialized analytical skills to manipulate and adjust the data to account for current deficiencies in the O&D Survey.

Cost reductions to data producers include costs for accounting and auditing clerks, computer systems analysts, and computer programming analysts that are part of the ongoing production of data by the air carriers. Labor rates were taken based on Bureau of Labor Statistics Standard Occupational Classification (SOC) and hours were estimated based on industry input for current operations. Average cost per airline based on the labor rates and estimated hours was then calculated, and this was multiplied by the expected number of carriers that will report over a 10-year timeframe. The “as is” costs were then compared to the “to be” costs that would be achieved under the rule. The “to be” costs include the transition costs from the current system to the new system as well as an ongoing cost estimate for the processing of the data by a third-party fee-for-service provider. ATPCO, the leading distributor of airline fares and airline fare information, notified DOT that it can create software to assemble the O&D report for any air carrier that exchanges ticket information using their services. ATPCO is a non-profit industry consortium that provides tariff and other ticket-related services to air carriers and foreign air carriers “at-cost.” ATPCO’s shared software would relieve air carriers from the cost of maintaining separate systems, each of which carries attendant secondary expenses for training and technical maintenance. This option would not only simplify the information technology operations, but also amortize the cost of creating and maintaining the software. Therefore, upfront costs resulting from this proposed action are expected to include the expenses related to developing, installing, and maintaining an automated reporting system. These upfront costs have been accounted for as ongoing payments to a third-party provider.

Cost reductions to the government include systems investment costs and ongoing production costs. Labor rates were taken based on Bureau of Labor Statistics Standard Occupational Classification (SOC) and hours were based on estimates provided by the BTS. The “as is” comparison assumed the use of existing infrastructure while the “to be” assumed a two-year development and implementation window, as well as ongoing production costs.

Cost reductions to the public/users were estimated for the “as is” total hours users of the data spend on computer systems. The total “as is” hours include analysts that further prepare the data and those that perform final data quality procedures that must be done to ensure clean data for final analysis outputs. The comparison “to be” calculation includes an estimated investment cost for creating processes for the new data prior to its release to public/users. All costs were estimated over 10 years and discounted at a 7 percent rate. This analysis finds that the final rule would result in annualized cost savings of approximately \$1.5 million at a 7 percent discount rate.

2. Implementation and Transition Costs

To comply with the revised O&D, certain investment is likely necessary by data producers. This investment will be required to accommodate the increase in: new reporting carriers, the reporting frequency, the percentage of tickets reported, and the new data elements. In addition, these changes will result in additional burden on the government for more frequent processing and faster turnaround time for publication. The final rule streamlines and simplifies the design of the O&D, allowing for a much greater degree of process automation. The rule also allows for third-party providers to create fee-for-service software that would produce the Survey reporting records for all air carriers as an alternative to the carrier doing the processing.

3. Benefits to Users of the Data

Users of the data include air carriers and industry-related entities, such as airports, manufacturers, researchers, and investors, who often cite the O&D as one of the most critical datasets used to formulate short- and long-term business plans and forecast industry trends.

Other USG agencies such as the Federal Aviation Administration (FAA), Bureau of Economic Analysis (BEA), Department of Justice (DOJ), Transportation Security Administration (TSA) and the Government Accounting Office (GAO) as well as educational institutions use the data for research purposes as well. Improving the quality of the O&D data yields several other unquantified benefits to users of the data, including:

- Reporting the Dwell Time between flights reduces the difficulties and potential errors associated with determining when a passenger has reached a destination (“Trip Break”) and when the passenger is simply waiting for a connecting flight to the intended destination.
- Reporting all the cities in the itinerary better aligns O&D data with the T100, removing much of the uncertainty in market validation analysis. This would allow the T100 to facilitate validation of O&D data submissions.
- Reporting a larger sample size to capture small and rural markets with the statistically significant equivalence of larger markets reduces the need to make much less accurate manual statistical adjustments as well as increase the accuracy of data available for the analysis of small markets.
- Differentiating the amount of tax collected from the amount of total fare collected removes uncertainty in determining the actual passenger revenue retained by the airlines.
- Reporting the month and year of travel enables the determination of market trends that are not discernable inside the quarterly data reports and allows direct cross-validation to other datasets such as the T100.
- Having the issuing carrier report the itinerary will enable better identification of the operating carrier of each segment. The comparison of O&D to T100 by market will be easier for both the DOT and the user.

4. Cost-Benefit Analysis Summary

Major Provisions of this regulatory action	Benefit	10-Year Costs (discounted at 7%)
Change sample size to 40%	Enables more effective oversight of Congressional programs designed to help small communities and provide more accurate market information for a wide variety of research and industry uses.	The estimated total reduction in cost over 10 years discounted at 7% for all the major provisions would provide a reduction of \$10,367,702 from the cost of continuing the current methodology. *
Report each ticket as a single record	Simplifies reporting and improves quality assurance.	
Designate all certificated air carriers and commuter air carriers holding out scheduled passenger service as O&D Reporting Carriers and require reporting the tickets issued	Simplifies the reporting procedures to enable full automation of reporting, which enhances efficiency and accuracy; and eliminates loopholes in collection; and secures integrity of the sample of tickets.	
Move to monthly reporting	Creates more useful and timely economic information; and aligns the reporting process with the corresponding industry accounting process.	
Report the month/year of travel	Creates more useful, timely economic information; and aligns reporting process with the corresponding industry accounting process.	
Report all airports in the itinerary	Provides clarity and completeness in passenger movements.	
Report Dwell Time as the number of minutes between each arrival and the next departure in the itinerary according to the schedule	Allows accurate determination of the passenger's intended destination based on industry standard practice.	
Add Advanced Purchase Window (APW) reporting instead of Fare Basis Code reporting.	Removes sensitive business information that is burdensome to report. Includes information more relevant to product segmentation in a less burdensome manner.	
Report taxes paid on the ticket	Informs tax policy and allows data users to separate taxes paid from the total fare.	
Report a Record Identification Number	Enables communication between O&D reporting	

	carriers and DOT regarding data quality.	
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*The industry requests to align the regulation with current accounting practices, which means that the system is to be restructured, so all new provisions can be included in a one-time programming cost.

As is described in the discussion of the cost-benefit analysis conducted for the proposed rule, this action is expected to result in annualized cost savings (to producers and users of the data and the Federal Government) of approximately \$1.5 million per year, while also yielding additional unquantified benefits to users of the data through improved data quality and utility.

B. The Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act of 1995¹⁴ requires Federal agencies to prepare a written assessment of the costs, benefits, and other effects of proposed or final rules that include a Federal mandate likely to result in expenditures by State, local, or tribal governments, in the aggregate, or by the private sector, of more than \$100 million (adjusted annually for inflation) in any one year. As described elsewhere in the preamble, this final rule to update and improve the Department's aviation data collections would have no such effect on State, local, and tribal governments or on the private sector. Therefore, the Department has determined that no assessment is required pursuant to UMRA.

C. Regulatory Flexibility Act

The Regulatory Flexibility Act¹⁵ requires an agency to assess the impacts of proposed and final rules on small entities unless the agency determines that a rule is not expected to have a significant economic impact on a substantial number of small entities. The reclassification of reporting carrier from large, certificated carriers conducting scheduled passenger service operations to all certificated air carriers and commuter air carriers holding out scheduled passenger service will result in a net increase in total reporting carriers. The number of small entities that must report is therefore expected to increase. For purposes of rules promulgated by

¹⁴ 2 U.S.C. 1531-1538.

¹⁵ 5 U.S.C. 601 et seq.

the Office of the Secretary of Transportation regarding aviation economic and consumer matters, an airline is a small entity for purposes of the Regulatory Flexibility Act if it provides air transportation only with aircraft having 60 or fewer seats and no more than 18,000 pounds payload capacity. The Department has evaluated the effects of this action on small entities and anticipates that the action will not have a significant economic impact on small entities. DOT finds that if all carriers were to use the proposed ATPCO service to submit data, the cost is likely to range from 0.0% to 1.70% of annual revenue, with a median cost of 0.03% of annual revenue. Only two identified reporting carriers were expected to spend above 1.0% of annual revenue to comply with this rulemaking. Pricing was estimated by taking the number of passengers for each small air carrier and multiplying that by the estimated per record charge for processing O&D data and assumed one O&D itinerary record per passenger.

For any small entities required to begin reporting the data collected under this rule, DOT also notes that this data is routinely collected in a normal course of business, as a necessity to common industry accounting practices. DOT also notes that air carriers, including those that qualify as small businesses, can use third-party vendors to assist in the required reporting, to the extent that it is cost effective for them to do so. DOT will also assist all carriers, including those that qualify as small businesses, in successful implementation of the new 19-8, to minimize the period of overlap reporting under Sec. 19-7 and 19-8. The Department did not receive comments on the certification or potential economic impacts of the rule in response to the NPRM. The Department hereby certifies that this action would not have a significant economic impact on a substantial number of small entities.

D. EO 13132 (Federalism)

EO 13132¹⁶ requires agencies to ensure meaningful and timely input by State and local officials in the development of regulatory policies that may have a substantial, direct effect on the States,

¹⁶ 64 FR 43255; August 10, 1999.

on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government. The Department has analyzed this action in accordance with the principles and criteria contained in EO 13132. This rule does not include any provision that substantially directly affects the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. It imposes no direct compliance costs on State and local governments, nor does it preempt State law. States are already preempted from regulating in this area by the Airline Deregulation Act.¹⁷ Therefore, the consultation and funding requirements of EO 13132 do not apply.

E. EO 13175 (Consultation and Coordination with Indian Tribal Governments)

DOT has analyzed this final rule in accordance with the principles and criteria contained in Executive Order 13175 (“Consultation and Coordination with Indian Tribal Governments”). The changes to the O&D will not have tribal implications, impose substantial direct compliance costs on Indian tribal governments, or preempt tribal law. Therefore, this final rulemaking is exempt from the consultation requirements of EO 13175, “Consultation and Coordination with Indian Tribal Governments.”¹⁸

F. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (PRA)¹⁹ requires that the Department consider the impact of paperwork and other information collection burdens imposed on the public and obtain approval from the Office of Management and Budget (OMB) for each collection of information it conducts or sponsors.

This action contains the following proposed amendments to the existing information collection requirements previously approved under OMB Control Number 2139-0013. As required by the

¹⁷ 49 U.S.C. 41713.

¹⁸ 65 FR 67249; November 9, 2000.

¹⁹ 44 U.S.C. 3501, *et seq.*

PRA, DOT submitted these proposed information collection amendments to OMB for its review.

OMB approved the revisions under OMB control number 2139-0014.

Summary: Origin-Destination Survey of Airline Passenger Traffic (O&D), which collects information on the origin and destination of passengers including, at a minimum, information on: (1) the origin and destination of passengers in interstate air transportation, and (2) the number of passengers traveling by air between any two points in interstate air transportation. Modifications to the existing requirements include making the air carrier that issues the ticket primarily the carrier responsible for submitting the ticket, reporting each ticket as a single record, expanding the O&D Reporting Carrier threshold, changing the period of reporting to monthly, increasing the sample size to 40 percent, reducing the lag time for release of T100(f), adding Dwell Time, adding a Via Airport data element, adding a Total Tax element, adding Travel Year and Travel Month as recorded elements, adding a Reporting Record Identifier, adding a Purchase Window Group element, and removing the requirement to record the Fare Basis Code.

Use: The Department is obligated by statute to collect and disseminate information on the origin and destination of airline passengers including, at a minimum, information on: (1) the origin and destination of passengers in interstate air transportation, and (2) the number of passengers traveling by air between any two points in interstate air transportation. There are many private and public stakeholders that depend on this data to make decisions on aviation business and policy. For example, this data is used by the industry to plan air services, develop commercial aviation infrastructure, measure the economic impact of passenger flows, and create business plans for start-up airlines. The O&D is also a primary source of information used to quantify and evaluate the effectiveness of Federal aviation policy and programs, as well as develop and implement new policies and infrastructure initiatives.

Respondents (including number of): All certificated air carriers and commuter air carriers holding out scheduled passenger service. The Department currently estimates approximately 27 air carriers will qualify to submit data to the O&D as envisioned by this rulemaking.

Frequency: Monthly

Annual Burden Estimate: The Department estimated an investment cost for each of the 27 carriers that will report at \$9,598 per carrier or \$259,146 annually. Most of the cost of this data collection is embedded in the normal administrative costs normally incurred by the carriers, including personnel expenses and computer time. The following categories of hourly costs were taken from the Bureau of Labor Statistics (BLS) site: “Accounting and Auditing Clerks,” wage scale for 43-031 (bookkeeping personnel), \$20.65; median pay per hour for “Computer Systems Analyst” of \$43.71, according to 15-1211 Computer Systems Analyst; median pay per hour for “Computer Programming Analyst”, \$40.52, according to 15-1131 Computer Programmers. The Department further estimated Accounting and Auditing Clerks time at 30 annual hours, Computer System Analysts at 20 annual hours, and Computer Programmer Analysts at 200 annual hours for a total investment burden of \$9,598 per year per carrier. The Department further estimated the reporting burden per carrier at 30 hours per response at 12 times per year for a total of 324 annual responses which for the 27 reporting carriers is a total annual burden of 9,720 hours.

G. National Environmental Policy Act

The Department has analyzed the environmental impacts of this action pursuant to the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321, *et seq.*) and has determined that it is categorically excluded pursuant to DOT Order 5610.1C, Procedures for Considering Environmental Impacts (44 FR 56420, Oct. 1, 1979). Categorical exclusions are actions identified in an agency’s NEPA implementing procedures that do not normally have a significant impact on the environment and therefore do not require either an environmental assessment (EA) or environmental impact statement (EIS). The purpose of this rulemaking is to update the method of collecting and processing aviation traffic data, as well as expanding the number of reporting air carriers, the sample size collected, and the scope of the data reported in the O&D.

The Department does not anticipate any environmental impacts, and there are no extraordinary circumstances present in connection with this rulemaking.

List of Subjects

14 CFR Part 241

Air carriers, Reporting and recordkeeping requirements, Uniform system of accounts.

14 CFR Part 298

Air taxis, Reporting and recordkeeping requirements.

Signed in Washington, D.C. on December 19, 2022.

Peter Paul Montgomery Buttigieg,
Secretary of Transportation.

Final Rule

Accordingly, the Department amends 14 CFR parts 241 and 298 as follows:

PART 241—UNIFORM SYSTEM OF ACCOUNTS AND REPORTS FOR LARGE CERTIFICATED AIR CARRIERS

1. The authority citation for 14 CFR Part 241 continues to read as follows:

Authority: 49 U.S.C. 329, 41101, 41708, 41709.

2. Section 19-6(b) is amended by revising the first sentence of paragraph (b) to read as follows:

Sec. 19-6 Public disclosure of traffic data.

(b) Detailed international on-flight market and nonstop segment data in Schedule T–100 and Schedule T–100(f) reports, except military data, shall be publicly available immediately following the Department’s determination that the database is complete. ***

3. Section 19-8 is added to read as follows:

Sec. 19–8 Passenger Origin—Destination

19-8.1 Purpose.

The purpose of this part is to set forth required data that certain air carriers must submit to the Department, either themselves or via third party vendors, so that information on air carriers' ticket pricing, passenger volumes, and trip routings can be made available to consumers of air transportation.

19-8.2 Definitions.

For purposes of this part:

Airport see Origin or Destination.

As Sold means to report ticket information as it appears on the ticket at the time the ticket was issued or reissued just prior to first known flown lift usage. For purposes of this part, any change to an existing ticket prior to the first segment being flown that results in a change to the ticket amount should be considered as requiring the ticket to be reissued. Any changes made to the ticket after the first segment is flown or that are incidental to the ticket value should not be considered as requiring the ticket to be reissued. For example, a last-minute schedule change by the carrier to an itinerary before first known flown lift usage that does not result in a change in the amount paid and does not change the intended trip destination should not be considered as a reissued ticket in this context. Partial reissued tickets shall not be included in the collection.

Commuter Air Carrier means a commuter air carrier as defined in 14 CFR 298.2.

Connecting point means an intermediate point in a sequence of travel at which the passenger deplanes from one flight and boards another flight, either on the same carrier or from the flight of one carrier to a flight of another carrier, for continuation of the journey.

Coupon Stage (See Flight-Coupon).

Destination means the airport code or terminus in the ticket sequence of travel where a passenger deplanes from a flight stage. Qualifying airports or terminus will be specified periodically in accounting and reporting directives issued by the OAI. Airport, or terminus, codes are most commonly assigned by the International Air Transport Association (IATA) and occasionally by the International Civil Aviation Organization (ICAO) or the Federal Aviation Administration (FAA) depending on the jurisdiction of the airport. A common private industry source of these industry designator codes is 3rd party schedule products and OAI will use one of these products as a source where possible. Where none exists, OAI will furnish a code upon request.

Dwell Time means scheduled elapsed time (in minutes) between each ticketed coupon. Dwell time is not required to be reported at Via Airport stops. When dwell time exceeds 1,440 minutes, or 24 hours, report “9999”.

Eligible Ticket means a ticket that meets the 40% sampling criteria where the right-most digit is equal to “0” (zero), “2” (two), “7” (seven) or “9” (nine) when following the standard sampling procedure. For ad-hoc procedures, an eligible ticket is any ticket that meets the approved sampling procedure selected.

Flight Coupon means a defined origin and destination for a single stage of flight provided by a single Operating Carrier. Tickets are composed of one or more flight stages, also known as coupons or coupon stages.

First Reporting Carrier Rule means a rule applied during the Reporting Event Evaluation. The rule states that the first Reporting Carrier in the sequence of travel for a Category Two ticket is designated as the carrier responsible for reporting the ticket.

Flown Lift Usage is a record or indicator in the accounting system of the issuing carrier that represents a passenger ticket coupon that has been used by the passenger for travel on a flight.

International Ticket means a ticket that involves an international point and is submitted by a Reporting Carrier, or a ticket submitted under 49 U.S.C. §§ 41308 and 41309 for certain foreign air carriers granted antitrust immunity that includes a Reporting Carrier (or affiliate) operated leg in an itinerary. An international point is a point that resides outside of the 50 States. U.S. possessions are considered International Points.

Issuing Carrier means an air carrier or foreign air carrier that issues an air travel ticket.

Marketing Carrier means the air carrier that markets the seat on the aircraft, regardless of whether it operates the flight segment.

Operating Carrier means the carrier that has operational control over the aircraft that is scheduled to depart from an airport. Under a code-share arrangement, the air carrier whose flight crew are used to perform a flight segment.

Origin means an airport or terminus in the ticket sequence of travel where a passenger boards a flight stage. Qualifying airports or terminus will be specified periodically in accounting and reporting directives issued by the Office of Airline Information. Airport, or terminus, codes are most commonly assigned by the International Air Transport Association (IATA) and occasionally by the International Civil Aviation Organization (ICAO) or the Federal Aviation Administration (FAA) depending on the jurisdiction of the airport. A common private industry source of these industry designator codes is 3rd party schedule products and OAI will use one of these products as a source where possible. Where none exists, OAI will furnish a code upon request.

Purchase Window Group means one of three groups indicating the advance purchase window of the ticket. "21AP" is less than or equal to 21 days prior to departure, "2290" is 22 to 90 days prior to departure, and "91UP" is more than 90 days prior to departure.

Record Identification Number (RIN) means an air carrier assigned number that uniquely identifies each ticket within each reporting period.

Reporting Carrier means the U.S. Certificated Air Carrier or Commuter Air Carrier that is required to report O&D data and reported a given itinerary to the Department.

Reporting Event means the occurrence of a Reporting Carrier recognizing that a ticket has been flown and evaluating the ticket to determine if it should be reported to the O&D.

Reporting Carrier List means a list maintained and published by the Office of Airline Information (OAI). Carriers report O&D data consistent with these regulations, but a carrier is not required to report until OAI adds the carrier to the Reporting Carriers List. Carriers must also determine the responsible reporting carrier for Category Two tickets using the first reporting carrier rule and should use the Reporting Carriers List to determine the responsible reporting carrier.

Reporting Month means the month applicable to the ticket submission.

Reportable Ticket means that the combination of flown lift usage, sampling process criteria, and the Category One and Category Two ticket evaluation determines if a ticket is reportable.

Reporting Year means the year applicable to the ticket submission.

Revenue Passenger has the same meaning as the definition in 14 CFR § 241 Section 03 - Definitions for Purposes of This System of Accounts and Reports - Passenger, Revenue.

Routing means the sequence of travel for each flight stage including all intermediate points of routing stopover or connection (interline or intraline) in the movement of the passenger from the first airport in the sequence of travel to the last airport in the sequence of travel for the ticket.

Scheduled Flight Month means month for a departure from an airport in the sequence of travel for a ticket.

Scheduled Flight Year means year for a departure from an airport in the sequence of travel for a ticket.

Scheduled Service means transport service held out and operated on a certificated air carrier or commuter carrier's routes pursuant to published flight schedules, including extra sections of scheduled flights.

Tax Amount means all aggregated taxes and fees imposed by the U.S., government entity, or a foreign government, such as, but not limited to, Federal excise taxes, flight segment taxes, U.S. passenger facility surcharges, September 11 security fees, U.S. or international departure and arrival charges, and immigration charges. Taxes and mandatory fees charged by other foreign authorities, such as passenger service charges and airport taxes, are also considered part of Tax Amount.

Ticket means a legal contract between an Issuing Carrier and a Revenue Passenger for transportation.

Total Amount means:

(1) Gross total of funds collected on a ticket by the Issuing Carrier for the transportation of a passenger, inclusive of taxes and fees imposed by non-carrier entities or air carriers, and exclusive of ancillary fees not required to board the plane charged by the air carrier. Factors considered in determining what should be included in the Total Amount are as follows:

- (i) Total Amount includes charges required to board the aircraft (domestic and international) that are recognized as revenue at the time of purchase of the ticket and at the time of first lift of the ticket.
- (ii) Where a charge assessed at the time of purchase of the ticket is associated with a choice, such as seat assignment, where the consumer must pay the fee or charge regardless of the choice made, the charge is considered part of the Total Amount.
- (iii) The Total Amount does not include charges for optional services (services offered which the consumer may choose not to utilize and thus not incur the fee or charge) such as baggage fees, seat upgrade fees, or ticket change fees. When a fee is

assessed and there is a no cost option, that fee is considered an ancillary fee. When a fee is assessed for a service that provides something distinct from the air travel product then that fee is considered an ancillary fee.

(iv) The term Total Amount should align with standard passenger ticket documents; however, for air carriers that do not follow such standards or have, or may have, created new fees that may not be included in the standard passenger ticket document and yet are required to be paid to board the aircraft, these must also be included in Total Amount.

(2) Based on the criteria, the following is a non-exhaustive list of carrier-imposed fees and charges that must be reported as part of the Total Amount of the ticket: fuel surcharges, carrier usage charges, carrier interface fees, check-in fees, electronic usage charges, peak/holiday travel fees, transaction processing charges, and credit card surcharge fees. When a customer is assessed a fee based on how the customer acquires a ticket to board the aircraft, a booking fee, the fee is included in the Total Amount. Being required to pay a fee or charge for electronic or phone booking where there is no fee for purchase at the counter must be reported in the Total Amount. Being charged a call center fee for booking by phone when the customer could have booked online at no charge is not an example of a booking fee that must be reported. Carriers must also include all taxes and fees imposed by the U.S. or a foreign government, such as, but not limited to, Federal excise taxes, flight segment taxes, U.S. passenger facility surcharges, September 11 security fees, U.S. or international departure and arrival charges, and immigration charges. Carriers must also include taxes and mandatory fees charged by other foreign authorities, such as passenger service charges and airport taxes.

USD means United States Dollars

Via Airport (Point(s)) means any point(s) of stopover at intermediate airports as part of a “direct” or “through” flight. These are points that are not usually recorded on a ticket as the passenger does not generally deplane from the aircraft at the intermediate point.

§19-8.3 Applicability.

(a) All U.S. certificated and commuter air carriers conducting scheduled passenger services (except helicopter carriers) shall participate in a Passenger Origin-Destination (O&D) Survey covering domestic and international air carrier operations, as prescribed by the Department's Office of Airline Information (OAI) in the instructions manual entitled, *Instructions to Air Carriers for Collecting and Reporting Passenger Origin-Destination Survey Statistics* and in *Passenger Origin-Destination Directives issued by OAI*. Copies of these Instructions and Directives are available on the BTS webpage and will be provided to each reporting carrier at the time it becomes a reporting carrier.

(b) Air carriers are not required to begin reporting O&D until placed on the Reporting Carrier List that will be published by BTS/OAI 75 days prior to the beginning of each period of reporting. The Reporting Carrier List will identify each U.S. Certificated and Commuter Air Carrier required by this part to report O&D as designated by BTS OAI. Carriers may be added to this list as a result of consideration under this part or under 49 U.S.C. §§ 41308 and 41309 for certain Foreign Air Carriers granted antitrust immunity. Foreign Air Carriers granted antitrust immunity under 49 U.S.C. §§ 41308 and 41309 are not considered Reporting Carriers under this part but do report the same data under different legal authority.

(c) This section applies for air transportation taking place on or after July 1, 2025. Reporting pursuant to section 19-7 of this part is not required for air travel taking place on or after April 1, 2025.

§ 19-8.4 Reporting of O&D data.

(a) Each reporting carrier must file O&D data with the Bureau of Transportation Statistics Office of Airline Information (BTS/OAI) on a monthly basis for each of its reportable O&D tickets as follows. Collect the ticket information once there is an indication that the ticket has been flown, i.e. first known Flown Lift Usage. Report routing (and other ticket information) As Sold. Reporting carriers must determine the points ticketed and integrate the ticketed information

required for reporting. It is at each reporting carrier's discretion whether to use a third-party provider to manage their O&D data submissions. The use of a third-party provider will not remove the responsibility of the reporting carrier to ensure that their data is reported accurately and on schedule.

(b) A statistically valid sample of flight coupons must be selected for reporting purposes. Flight coupons should only be sampled from tickets:

(1) issued for scheduled service itineraries;

(2) issued to revenue passengers who are individually ticketed (i.e. no group tickets, no infants flying without their own tickets); and

(3) that involve a U.S. airport or a U.S. air carrier operation at some point in the scheduled itinerary. The sample must consist of 40 percent of the total lifted ticket flight coupons for all domestic and international markets. Partially reissued tickets, which are tickets issued for changes to an itinerary after the first segment is flown, should not be included in the total lifted ticket flight coupons for all domestic and international markets from which the sample is drawn.

(c) The data recorded and reported from selected lifted flight ticket coupons must include the following information elements:

(1) Reporting Carrier,

(2) Reporting Month and Reporting Year,

(3) Record Identification Number (RIN),

(4) Issuing Carrier,

(5) Total Amount,

(6) Tax Amount,

(7) Airport code,

(8) Operating Carrier code,

- (9) Marketing Carrier code,
- (10) Scheduled Flight Year,
- (11) Scheduled Flight Month,
- (12) Dwell Time,
- (13) Via Airport (if any),
- (14) Purchase Window Group.

(d) Report Total Amount and Tax Amount in United States Dollars (USD) rounded to two decimal places.

(e) A Reporting Event evaluation occurs when a Reporting Carrier's revenue accounting system recognizes that any portion of a ticket has been flown, i.e. first known lift usage. This evaluation will inform the Reporting Carrier if a ticket in their system has been recognized that meets criteria that may require the ticket be reported. Situations may occur where the Reporting Carrier's revenue accounting system identifies a ticket from a flight that occurs after the first flight in the ticket sequence. This may occur when the first flight in the ticket sequence is not used for travel, or the Reporting Carrier's revenue accounting system does not recognize the first flight in the ticket for some other reason. When this occurs, the second (or subsequent) flight is the first known lift usage and becomes the Reporting Event. The Reporting Carrier is responsible for reporting the complete ticket information as it appears at the time of the Reporting Event which should correspond with the information at the time the ticket was sold. Reporting carriers should not report ticket information as flown if the ticket information changes after first known lift usage.

(f) *Ticket reporting.* (1) A ticket will be reported when:

(i) The criteria of the sampling process are met, and

(ii) The ticket meets either the criteria of a Category One or Category Two ticket.

(A) *Category One ticket reporting process.* Tickets issued by a Reporting Carrier are known as Category One tickets. These tickets will be reported by the Reporting Carrier if the sampling process criteria conditions are satisfied. The carrier that issues the ticket remains the Reporting Carrier regardless of which flight from the ticket is first recognized by the revenue accounting system as the first flown lift usage.

(B) *Category Two ticket reporting process.* Tickets issued by carriers that do not appear on the published Reporting Carrier List but are recognized by a carrier that participates on the ticket and is on the Reporting Carrier List are known as Category Two tickets. The examining Reporting Carrier must apply the “First Reporting Carrier” rule: The first carrier in a ticket’s sequence of travel that also appears on the Reporting Carrier List is responsible for submitting the ticket to the O&D if the sampling criteria are also met. The first Reporting Carrier in the sequence of a Category Two ticket remains the Reporting Carrier regardless of which flight from the ticket is first recognized by the revenue accounting system. For the purposes of the First Reporting Carrier Rule, any carrier that appears on the Reporting Carrier List is considered a Reporting Carrier.

(iii) *Additional provisions for Category Two tickets.* Reporting Carriers should use all reasonable efforts to determine the required information from Category Two tickets. If the information for Operating Carrier, Via Airports, Dwell Time, Tax Amount, and Purchase Window Group is

unavailable to the Reporting Carrier, however, then leave the fields for which information is unavailable blank. In cases where a carrier is unable to determine Dwell Time between coupons insert a “B” (for Break) in the appropriate dwell time slot where the reporting carrier provides an estimate of where in the itinerary the trip break occurs. Record a surface segment indicator (--, dash dash) where two consecutive stops within the itinerary have no air carrier operator. Record surface segments at the beginning and end of itineraries when the segments are designated with an airline flight number, appear on the ticket, and have a designator code that appears in an airline schedule source.

(g) The primary ticket’s right-most digit of the standard ticket document number forms the basis for the random sample size. All required information associated with a primary ticket must be reported, which may include information from a related conjunction ticket. A conjunction ticket is a ticket that is a continuation of a primary ticket itinerary. Conjunction tickets should not be included in the sample process on their own. Any Reporting Carrier that does not assign ticket numbers to passenger journeys, does not assign ticket numbers such that the final, right-most digit is not randomly assigned, or otherwise seeks to use an alternative method must develop an alternative method of creating a valid 40 percent sample. Those Reporting Carriers would need to submit their alternative sample methods to DOT for approval within 90 days of the date that the Reporting Carrier recognizes that it must make use of the alternative sample selection method to comply with the proposed reporting regulation for determining a Reportable Ticket.

§ 19-8.5 Form of reports.

Reporting carriers should report individual tickets as separate records where the Record Identifier Number (RIN) uniquely identifies each record in a submission. Except where otherwise noted, all reports required by this part shall be filed within 45 days of the end of the month for which data are reported. The reports should be submitted to the Office of Airline Information in a format specified in the *Instructions to Air Carriers for Collecting and Reporting*

Passenger Origin-Destination Survey Data or accounting and reporting directives issued by BTS/OAI.

(a) Each Reporting Carrier shall maintain its prescribed reportable records in a manner and at such locations as will permit ready accessibility for examination by representatives of DOT. The record retention requirements are prescribed in part 249 of this chapter.

(b) [Reserved]

§ 19-8.6 Dissemination.

Any Ticket that is submitted that involves a Reporting Carrier and an International Point providing service in whole or in part under this part are generally not available to the Department, the U.S. carriers, or U.S. interests. Therefore, because of the damaging competitive impact on U.S. carriers and the adverse effect upon the public interest that would result from unilateral disclosure of international ticket survey data that involves a Reporting Carrier, the Department will not disclose international ticket data that involves a Reporting Carrier in the Passenger Origin-Destination Survey to citizens or non-citizens except:

(a) To an air carrier directly participating in and contributing input data to the Survey under this part or to a legal or consulting firm designated by a directly participating air carrier to use on its behalf and in connection with a specific assignment by such carrier;

(b) To parties to any proceeding before the Department to the extent that such data are relevant and material to the issues in the proceeding upon a determination to this effect by the Administrative Law Judge or by the Department's decision-maker. Any data to which access is granted pursuant to this section may be introduced into evidence subject to the normal rules of admissibility of evidence;

(c) To agencies and other components of the U.S. Government;

- (d) To other persons upon a showing that the release of the data will serve specifically identified needs of U.S. users which are consistent with U.S. interests; and
- (e) To foreign governments and foreign users as provided in formal reciprocal arrangements between the foreign and U.S. Governments for the exchange of comparable O&D data.

§ 19-8.7 Submission of data.

(a) *Period of coverage by submission.* Reporting carriers must file data for each calendar month as shown in Table 1 to paragraph (a).

Table 1 to Paragraph (a)

Data Report	Time Period Covered
January	Jan 1 through Jan 31
February	Feb 1 through Feb 28/29
March	Mar 1 through Mar 31
April	Apr 1 through Apr 30
May	May 1 through May 31
June	Jun 1 through Jun 30
July	Jul 1 through Jul 29
August	Aug 1 through Aug 31
September	Sep 1 through Sep 30
October	Oct 1 through Oct 31
November	Nov 1 through Nov 30
December	Dec 1 through Dec 31

(b) *Filing date for data.* Reporting carriers must file data with the Department on or before the dates listed below, 45 days after the end of each reporting period. Reporting carriers must file all data through BTS approved channels as specified in accounting and reporting directives issued by BTS/OAI.

Table 2 to Paragraph (b)

Report	Due Date¹
January	March 17

February	April 15
March	May 16
April	June 15
May	July 16
June	August 15
July	September 15
August	October 16
September	November 15
October	December 16
November	January 15
December	February 15

¹ Due dates falling on Saturday, Sunday or national holiday will become effective the first following workday.

(c) *Waiver requests.* Requests for permission to depart from the required O&D Survey procedures should include a procedural statement describing the process the carrier proposes to employ in examining, selecting, and editing the data from reportable flight coupons for the O&D Survey, as well as a flow chart diagramming the proposed procedures.

(d) *Quantity and quality controls.* Carriers are expected to establish and maintain continuous quantity and quality controls on the flow of all lifted flight coupons through their system processes to determine the total number of coupons handled and the number of reportable coupons selected. Such data controls and tests have not been specified by the Department, and necessarily must be developed by each carrier. Each participating carrier shall develop and use on a continuous basis such control tests as are necessary to ensure that all reportable coupons are being selected, recorded, and reported as intended by these regulations, the *Instructions to Air Carriers for Collecting and Reporting Passenger Origin-Destination Survey Data*, and any related accounting and reporting directives. (Instructions and accounting and reporting directives are available from the Bureau of Transportation Statistics Office of Airline Information. Please visit <https://www.bts.gov/> or call 800-853-1351 for more information.) Such controls should extend over all ADP processing, both in-house and that from third-party service providers.

§ 19-8.8 Editing data.

(a) *City and airport, or terminus, codes.* Prior to submission of O&D, each carrier is to edit the recorded data to validate city and airport or terminus codes. This edit is to verify that the codes recorded are valid official codes, and it is independent of whether the carriers shown operated into or out of the airport or terminus shown. Any questions about airport or terminus codes should be addressed to the Director, Office of Airline Information.

(b) *Edit responsibility of carriers.* Each carrier is responsible for developing edit procedures and internal controls over its data entry and processing procedures so that valid and reliable data are captured in the O&D inputs. Since the carriers have many different statistical systems, it is not practicable for the Department of Transportation to prescribe specific controls in this area, and each carrier is responsible for developing the appropriate internal control procedures to edit the O&D data and ensure the integrity of these data. The Department will control the accuracy of its processing of the sampled data upon receipt from the carriers or their third-party providers.

(c) *System documentation of edits.* Carriers are required to maintain written O&D procedural statements and flow charts.

§ 19-8.9 Control of sample selection and data recording.

Sample accuracy and reliability. To maximize the accuracy and reliability of the sample selection and data recording, each carrier is to:

- (a) Develop a written statement describing the procedures it will employ in examining and selecting reportable flight coupons and in recording, summarizing, editing, and testing the Survey data;
- (b) Submit any proposed changes in the procedures specified in paragraph (a) of this section to the Department's Office of Airline Information, prior to implementation of such changes;
- (c) Establish continuous quantity controls on the flow of all lifted flight coupons through the carrier's accounting processing to determine the total number of coupons handled, and the number of reportable coupons selected. Tests are to be made continuously to assure that all reportable coupons are being selected and the data recorded. Such tests should be completed while the "lifted" flight coupons (representing earned passenger revenues for flight segments operated) remain in the possession of the carrier. Establish such other internal control

procedures as are necessary for supervising and monitoring the accuracy of the recording of data from reportable flight coupons.

§ 19-8.10 Staff review.

The OAI staff will review the carrier procedures and practices and may request modifications or the use of special procedures necessary to improve the sample or to bolster the controls for accuracy and reliability.

PART 298—EXEMPTIONS FOR AIR TAXI AND COMMUTER AIR CARRIER OPERATIONS

4. The authority citation for 14 CFR part 298 continues to read as follows:

Authority: [49 U.S.C. 329](#) and chapters 401, 411, and 417.

5. Section 298.60 is amended by revising paragraph (a) to read as follows:

§ 298.60 General reporting instructions.

(a) Each commuter air carrier and each small certificated air carrier shall file the applicable schedules of Form 298–C, “Report of Financial and Operating Statistics for Small Aircraft Operators,” Schedule T–100, “U.S. Air Carrier Traffic and Capacity Data by Nonstop Segment and On-Flight Market,” and the “Passenger Origin— Destination Survey” prescribed in part 241, Sec. 19–8, of this subchapter.

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